

STATE OF NEW YORK

3147

2025-2026 Regular Sessions

IN SENATE

January 23, 2025

Introduced by Sens. COONEY, SCARCELLA-SPANTON, WEBB -- read twice and ordered printed, and when printed to be committed to the Committee on Insurance

AN ACT to amend the insurance law, in relation to the sale of a non-indemnity legal service plan

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Subsection (b) of section 1101 of the insurance law is
2 amended by adding a new paragraph 9 to read as follows:

3 (9)(A) Notwithstanding the foregoing, the sale of a non-indemnity
4 legal service plan shall not constitute doing an insurance business in
5 this state.

6 (B) For purposes of this paragraph, a non-indemnity legal service plan
7 includes any plan, regardless of the benefits, where legal services are
8 available to members, or their dependents, through an organization that
9 contracts directly with independent attorneys for the provision of the
10 legal services and the organization pays the independent attorney via a
11 capitated arrangement and the independent attorney receives no addi-
12 tional payment or reimbursement from the organization for specified
13 legal services or specified legal expenses.

14 § 2. This act shall take effect on the thirtieth day after it shall
15 have become a law.

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

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