STATE OF NEW YORK

5048--A

2025-2026 Regular Sessions

IN SENATE

February 18, 2025

Introduced by Sen. BAILEY -- read twice and ordered printed, and when printed to be committed to the Committee on Insurance -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the insurance law, in relation to contractual liability insurance policies

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

Section 1. Paragraph 1 of subsection (c) of section 7903 of the insurance law, as amended by chapter 578 of the laws of 2000, is amended to read as follows:

(1) insure the performance of [~~all~~] its obligations under all service contracts pursuant to a service contract reimbursement insurance policy issued by an insurer authorized to issue service contract reimbursement insurance in this state or procured by an excess line licensee pursuant to section two thousand one hundred eighteen of this chapter. **Each provider may maintain a maximum of five service contract reimbursement insurance policies insuring its service contracts actively offered.** In the event the provider fails to insure its obligations pursuant to this paragraph or in the event that such insurance shall lapse or be terminated, the provider shall comply with either paragraph two or three of this subsection within forty-five days of the insurance lapse or termination;

§ 2. This act shall take effect immediately.

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

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