

STATE OF NEW YORK

8583

2025-2026 Regular Sessions

IN SENATE

November 17, 2025

Introduced by Sen. KAVANAGH -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

AN ACT to amend the insurance law, in relation to requiring property/casualty insurance companies to submit certain zip code-level data, market share data, and information about models and scoring methods used for catastrophes to the department of financial services; to amend the insurance law, in relation to requiring an annual report on the housing insurance market for multifamily and nonprofit housing providers; to amend the insurance law, in relation to authorizing a premium discount to policyholders who demonstrate certain mitigation actions; to amend the insurance law, in relation to the timing of cancellation and nonrenewal notices for certain insurance policies; and to amend the insurance law, in relation to increasing membership of the board governing the New York property insurance underwriting association and to requiring a quadrennial report on the activities of such association

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

1 Section 1. The insurance law is amended by adding a new section 4122
2 to read as follows:

3 § 4122. Reporting requirements for property/casualty insurance compa-
4 nies. (a) For the purposes of this section, the following terms shall
5 have the following meanings:

6 (1) "Catastrophe model" means a tool, instrumentality, means, or prod-
7 uct, including a map-based tool, a computer-based tool, or a simulation
8 that is used by an insurer to estimate potential losses from catastroph-
9 ic events.

10 (2) "Community-level mitigation action" means a science-based miti-
11 gation action as demonstrated by a community or neighborhood level
12 designation or certification or as undertaken by a government entity.

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

LBD13906-06-5

(3) "Property-specific mitigation action" means a science-based mitigation action that includes a verification and certification process.

(4) "Natural disaster risk model" means a tool, instrumentality, means, or product, including a map-based tool, a computer-based tool, or a simulation, that is used by an insurer in whole or in part, to measure or assess the natural disaster risk associated with a residential property or community for purposes of rating, classifying, pricing, or underwriting, including but not limited to writing or renewing insurance, based on natural disaster risk or estimating risks or losses corresponding to the natural disaster risk classifications.

(5) "Natural disaster" means the occurrence or imminent threat of widespread catastrophic or severe damage, injury, or loss of life or property resulting from any natural cause including, but not limited to, fire, flood, earthquake, hurricane, tornado, high water, landslide, mudslide, wind, storm, wave action, ice storm, air contamination, blight, drought, infestation, explosion, water contamination, bridge failure, or bridge collapse.

(b) Every property/casualty insurance company doing business in this state shall submit the following information to the department:

(1) Zip code-level data on the following topics:

(A) nonrenewal rates;

(B) nonpayment cancellation rates;

(C) other cancellation rates;

(D) claim frequency rates;

(E) average claim amounts;

(F) paid loss ratios; and

(G) average premiums;

(2) Market share data; and

(3) If utilized, the natural disaster risk model or catastrophe model or scoring method used to assign risk.

(A) The following information about a natural disaster risk model or catastrophe model or scoring method shall be submitted:

(i) a description of such model or method;

(ii) the impact of such model or method on rates;

(iii) an actuarial justification for all rating factors, including mitigation discounts offered; and

(iv) an explanation of the use of the model or method in underwriting decisions.

(B) Any model or method submitted to the department pursuant to this paragraph shall be treated as a trade secret and shall not be subject to disclosure under article six of the public officers law.

(C) Any property/casualty insurance company that uses a natural disaster risk model, a catastrophe model, or a combination of models shall ensure the following factors are either incorporated in the natural disaster risk model, catastrophe model, or combination of models or are otherwise demonstrably included in such property/casualty insurance company's underwriting and pricing:

(i) property-specific mitigation actions such as establishing defensible space, incorporating building hardening measures, or receiving certification from an entity with experience in mitigation of properties against natural disasters; and

(ii) community-level mitigation activities or designations, including forest treatment and other fuel reduction activities.

(D) Any property/casualty insurance company that uses a natural disaster risk model or a catastrophe model or scoring method to assign risk shall also include the information required in subparagraph (A) of this

1 paragraph in any rate filing submitted to the superintendent by such
2 property/casualty insurance company.

3 (c) The department shall create and maintain a public-facing database
4 where policyholders can access the market share data submitted by
5 property/casualty insurance companies pursuant to paragraph two of
6 subsection (b) of this section.

7 § 2. The insurance law is amended by adding a new section 3463 to read
8 as follows:

9 § 3463. Report on the housing insurance market for multifamily and
10 nonprofit housing providers. (a) Definitions. For purposes of this
11 section:

12 (1) "Multifamily residential building" means a property containing
13 five or more dwelling units.

14 (2) "Nonprofit housing provider" means organizations described by
15 section 501(c)(3) of the United States internal revenue code, charitable
16 corporations as defined in paragraph (a) of section one hundred two of
17 the not-for-profit corporation law and formed pursuant to paragraph (a)
18 of section two hundred one of the not-for-profit corporation law, and
19 organizations described by section two hundred sixteen-a of the educa-
20 tion law that own or operate residential housing in New York.

21 (3) "Affordable housing development" means a residential building with
22 units required to be affordable by statute, regulation, regulatory
23 agreement, or recorded covenant.

24 (4) "Excess line insurance" has the same meaning as in article twen-
25 ty-one of this chapter.

26 (5) "Insurer" means an authorized insurer writing property or liabil-
27 ity coverage on residential buildings and includes reporting by excess
28 line placements through the excess line association of New York as
29 provided by regulation.

30 (b) Annual joint report. (1) The superintendent and the commissioner
31 of homes and community renewal shall submit a joint report detailed in
32 subdivision (c) of this section on or before October first of each year
33 to the governor, the temporary president of the senate, and the speaker
34 of the assembly, and post it on their websites.

35 (2) The report shall analyze the availability, pricing, terms, and
36 affordability of property and liability insurance for multifamily resi-
37 dential buildings owned or operated by nonprofit and mission-driven
38 entities, including affordable housing developments.

39 (3) The report shall include statewide and regional results, with New
40 York city reported separately from the rest of the state.

41 (c) Required contents. The report shall present, at a minimum, aggre-
42 gated statistics for the prior calendar year on:

43 (1) Premium levels and changes, including average and median premium
44 per unit and square foot, and premium as a share of operating expenses.

45 (2) Coverage availability and market channel, including non-renewal
46 and declination counts, the share placed in the excess-line market, and
47 use of New York property insurance underwriting association.

48 (3) Deductibles by peril and trend.

49 (4) Common exclusions and limitations, including new or expanded
50 exclusions introduced in the reporting year.

51 (5) Coverage limits relative to reported replacement cost.

52 (6) Claims frequency and severity for fire, water, wind, and liabil-
53 ity, to the extent available.

54 (7) Documented affordability impacts in the division of housing and
55 community renewal portfolios, including rent-pressure indicators,

1 reserve draws, or capital-plan deferrals linked to insurance expense
2 changes.

3 (8) Risk-mitigation credits and building resiliency investments
4 reported by owners and recognized by insurers.

5 (9) Regional heat-map summaries of market stress using the methodology
6 set by the department by bulletin or circular letter. The department may
7 align with the national association of insurance commissioners' market-
8 intelligence data elements.

9 (d) Data collection and confidentiality. (1) The superintendent may
10 require special reports under section three hundred eight of this chap-
11 ter and may consolidate requests with existing department data calls.

12 (2) The department may require grantees, borrowers, and regulated
13 owners to provide insurance expense and coverage data as a condition of
14 assistance.

15 (3) Submissions that constitute trade secrets or sensitive commercial
16 information are confidential under paragraph (d) of subdivision two of
17 section eighty-seven of the public officers law. The published report
18 shall contain only aggregated, de-identified statistics and analysis.

19 (4) The department shall consult with excess line and New York proper-
20 ty insurance underwriting association regarding reporting formats that
21 capture excess-line placements and assigned-risk activity without iden-
22 tifying individual insureds.

23 (e) The division of housing and community renewal. The division of
24 housing and community renewal shall cooperate with the department in
25 producing the joint report, including collecting portfolio-level insur-
26 ance expense and coverage data from regulated entities through existing
27 reporting systems. The division of housing and community renewal shall
28 publish non-confidential aggregated statistics and provide technical
29 assistance to owners on risk-mitigation practices recognized by insur-
30 ers.

31 (f) Rulemaking. The department may adopt regulations or circular
32 letters to implement this section, harmonize data standards with
33 national association of insurance commissioners and other states, limit
34 the burden on small insurers, and ensure data quality. The division of
35 housing and community renewal may issue guidance to participating
36 owners.

37 (g) No private right of action. Nothing in this section creates a
38 private right of action.

39 § 3. The insurance law is amended by adding a new section 2346-b to
40 read as follows:

41 § 2346-b. Homeowners insurance or property/casualty insurance; miti-
42 gation action. 1. For the purposes of this section, the following terms
43 shall have the following meanings:

44 (a) "community-level mitigation action" means a science-based miti-
45 gation action as demonstrated by a community or neighborhood-level
46 designation or certification or as undertaken by a government entity;

47 (b) "natural disaster" means the occurrence or imminent threat of
48 widespread catastrophic or severe damage, injury, or loss of life or
49 property resulting from any natural cause including, but not limited to,
50 fire, flood, earthquake, hurricane, tornado, high water, landslide,
51 mudslide, wind, storm, wave action, ice storm, air contamination,
52 blight, drought, infestation, explosion, water contamination, bridge
53 failure, or bridge collapse;

54 (c) "natural disaster risk model" means a tool, instrumentality,
55 means, or product, including a map-based tool, a computer-based tool, or
56 a simulation, that is used by an insurer in whole or in part, to measure

1 or assess the natural disaster risk associated with a residential prop-
2 erty or community for purposes of rating, classifying, or pricing based
3 on natural disaster risk or estimating risks or losses corresponding to
4 the natural disaster risk classifications; and

5 (d) "property-specific mitigation action" means a science-based miti-
6 gation action that includes a verification and certification process.

7 2. The superintendent shall provide for an actuarially appropriate
8 reduction in the rates of homeowners insurance premiums and
9 property/casualty insurance premiums applicable to residential real
10 property for policyholders who can demonstrate that property-specific
11 mitigation actions have been undertaken on the property or community-
12 level mitigation actions have been undertaken in sufficient proximity to
13 the property to reduce the risk of loss from a natural disaster. The
14 superintendent shall by regulation establish a process for policyholders
15 to demonstrate such mitigation actions have occurred.

16 3. An insurer shall post on its public website readily accessible
17 information on the premium discounts, incentives or other premium
18 adjustments that are available to policyholders of homeowners insurance
19 or property/casualty insurance applicable to residential real property
20 who undertake property-specific mitigation actions or provide evidence
21 of community-level mitigation actions. The website shall identify, as
22 applicable:

23 (a) Property-specific mitigation actions for the policyholder to
24 undertake and community-level mitigation actions, as determined by the
25 superintendent, that could result in a discount, incentive, or other
26 premium adjustment; and

27 (b) The amount of the discount, incentive, or other premium adjustment
28 associated with each action.

29 4. (a) An insurer that provides a mitigation discount or that uses a
30 natural disaster risk model or risk score to underwrite, nonrenew,
31 price, create a rate differential, or surcharge the premium based upon
32 the policyholder's or applicant's natural disaster risk shall provide an
33 annual written notice to each policyholder or applicant upon application
34 for insurance of the applicable mitigation discounts, the natural disas-
35 ter risk score, and any other natural disaster risk classification used
36 by the insurer to underwrite, nonrenew, price, create a rate differen-
37 tial, or surcharge the premium based upon the policyholder's or appli-
38 cant's natural disaster risk.

39 (b) Such notice shall include:

40 (i) a plain-language explanation of the natural disaster risk score or
41 other natural disaster risk classification, including an explanation
42 that insurers may use different models and have different risk score
43 changes that could result in different risk scores from other insurers;

44 (ii) the range of the scores or classifications that could potentially
45 be assigned to the property;

46 (iii) the relative position of the score or classification assigned to
47 the property within that range of possible scores or classifications
48 provided by the insurer's risk model;

49 (iv) a written explanation of why the policyholder or applicant
50 received the assigned score or classification that identifies the prima-
51 ry features of the property that influenced the assignment of the score
52 or classification; and

53 (v) the impact, if any, that each property-specific mitigation or
54 community-level mitigation action could have on a natural disaster risk
55 score or classification assigned to the property.

1 5. The insurer shall provide the natural disaster risk score or clas-
2 sification to the policyholder or the applicant:

3 (a) for applicants, no later than fifteen days after the submission of
4 the applicant's completed application to the insurer;

5 (b) for policyholders, in the offer of renewal;

6 (c) for policyholders that are not being offered a renewal, with the
7 nonrenewal notice; and

8 (d) for a policyholder or applicant, if the policyholder or applicant
9 has completed a property-specific mitigation action or provides evidence
10 of a community-level mitigation action in sufficient proximity to the
11 property to reduce the risk of loss since the time of the last applica-
12 tion to or renewal by the insurer, no later than thirty days after the
13 submission to the insurer of the policyholder's or applicant's request
14 that the insurer provide a revised natural disaster risk score or risk
15 classification.

16 6. A policyholder or applicant for a policy of insurance whose natural
17 disaster risk model score, natural disaster risk classification assigned
18 to the property, or applicable mitigation discount is inaccurate and
19 provides evidence of the property-specific or community-level mitigation
20 action may appeal the score directly to the insurer. The insurer shall
21 notify the policyholder or applicant in writing of the right to appeal
22 the natural disaster risk score or other natural disaster risk classi-
23 fication or applicable mitigation discount when the score or classifica-
24 tion or discount is provided to the policyholder or applicant as
25 required by this section. If the policyholder or applicant appeals the
26 natural disaster risk score or other natural disaster risk classifica-
27 tion or applicable discount, the insurer shall acknowledge receipt of
28 the appeal in writing within ten calendar days after receipt of the
29 appeal. The insurer shall respond to the appeal in writing with a
30 reconsideration and decision within thirty calendar days after receiving
31 the appeal. If an appeal is denied, the insurer shall, upon request by
32 the superintendent, forward a copy of the appeal and the insurer's
33 response, to the superintendent.

34 § 4. Paragraphs 12 and 13 of subsection (b) of section 2305 of the
35 insurance law, as amended by section 9 of part AAA of chapter 59 of the
36 laws of 2017, are amended and a new paragraph 14 is added to read as
37 follows:

38 (12) gap insurance; ~~[and]~~

39 (13) private passenger automobile insurance, except as provided in
40 section two thousand three hundred fifty of this article~~[,]~~; and

41 (14) homeowners insurance or property/casualty insurance applicable to
42 residential real property as it relates to the inclusion of property-
43 specific mitigation actions and community-level mitigation actions in
44 the calculation of such rates,

45 § 5. Paragraphs 1 and 2 of subsection (d) of section 3425 of the
46 insurance law are amended to read as follows:

47 (1) Unless the insurer, at least ~~[forty-five]~~ ninety but not more than
48 ~~[sixty]~~ one hundred twenty days in advance of the end of the policy
49 period for nonrenewal or conditional renewal or the effective date for
50 cancellation, mails or delivers to the named insured, at the address
51 shown in the policy, a written notice of its intention not to renew a
52 covered policy, ~~[or]~~ to condition its renewal upon change of limits or
53 elimination of any coverages, or to cancel the policy, the named insured
54 shall be entitled to renew the policy upon timely payment of the premium
55 billed to the insured for the renewal. The specific reason or reasons
56 for nonrenewal or conditioned renewal shall be stated in or shall accom-

pany the notice. The specific reason or reasons for cancellation as provided in subsection (c) of this section shall be stated in or shall accompany the notice. This paragraph shall not apply when the named insured, an agent or broker authorized by the named insured, or an insurer of the named insured, has mailed or delivered written notice to the insurer that the policy has been replaced or is no longer desired.

(2) If an insurer has the right to cancel a policy it may, in lieu of cancellation, condition continuation of such policy upon change of limits or elimination of any coverage not required by law, if written notice of such intention is mailed or delivered to the insured at the address shown in the policy at least [~~twenty~~] ninety days prior to the effective date of such action.

§ 6. The opening paragraph of subsection (c) of section 3426 of the insurance law, as amended by chapter 235 of the laws of 1989, is amended to read as follows:

After a covered policy has been in effect for sixty days unless cancelled pursuant to subsection (b) of this section, or on or after the effective date if such policy is a renewal, no notice of cancellation shall become effective until [~~fifteen~~] ninety days after written notice is mailed or delivered to the first-named insured and to such insured's authorized agent or broker, and such cancellation is based on one or more of the following:

§ 7. Paragraphs 3 and 4 of subsection (a) of section 3462 of the insurance law, as added by section 1 of part BB of chapter 56 of the laws of 2024, are amended and a new paragraph 5 is added to read as follows:

(3) The level or source of income of the tenants of the residential building or the shareholders of a cooperative housing corporation; [~~or~~]

(4) Whether such residential building is owned by a limited-equity cooperative; owned by a public housing authority; or owned by a cooperative housing corporation subject to the provisions of article two, article four, article five or article eleven of the private housing finance law[~~-~~]; or

(5) The residential building is located in a disadvantaged community, as identified pursuant to section 75-0111 of the environmental conservation law. An insurer who cancels, refuses to issue, refuses to renew or increase the premium of a policy, or excludes, limits, restricts, or reduces coverage under a policy for a residential building located in a disadvantaged community shall provide actuarial information to the insured or applicant to support such action.

§ 8. Subsection (b) of section 5402 of the insurance law, as amended by chapter 42 of the laws of 1996, is amended to read as follows:

(b) The association shall be governed by a board of [~~thirteen~~] twenty-three directors, ten of whom shall be elected annually by cumulative voting by the members of the association, whose votes in such election shall be weighted in accordance with each member's net direct premiums written during the preceding calendar year. An additional six directors shall be appointed annually by the legislature, two by the temporary president of the senate, two by the speaker of the assembly, one by the minority leader of the senate and one by the minority leader of the assembly. Four directors shall be appointed annually by the governor and two of such directors shall be representatives of consumers. The remaining three directors shall be appointed annually by the superintendent and be duly licensed insurance agents or brokers representative of broad segments of the public obtaining insurance through the association.

1 § 9. Subsection (g) of section 5402 of the insurance law, as amended
2 by chapter 182 of the laws of 2023, is amended to read as follows:

3 (g) In addition to fire insurance, extended coverage, coverage for
4 additional perils and homeowners insurance should the same be made
5 available through the association in accordance with a determination of
6 necessity pursuant to section five thousand four hundred twelve of this
7 article, the association may offer broad form coverage to applicants
8 seeking to insure real property at fixed locations of this state, or the
9 tangible personal property located thereon. The association may offer
10 broad form coverage until June thirtieth, two thousand twenty-eight. On
11 or before October first, two thousand twenty-seven the superintendent
12 shall require the association to report to the superintendent as to the
13 number of policies written pursuant to this subsection and paragraph
14 three of subsection (f) of section five thousand four hundred five of
15 this article, and any other information the superintendent may require.
16 On or before January first, two thousand twenty-eight, and every four
17 years thereafter, the superintendent shall report to the governor and
18 the legislature regarding the number of policies issued pursuant to this
19 section and such paragraph, the geographic location of such policies,
20 the types of policies offered, the coverage limits of such policies,
21 risk reduction investments, information on the financial standing of the
22 association and [~~shall include~~] recommendations as to the continuation
23 of such insurance offerings.

24 § 10. This act shall take effect on the one hundred eightieth day
25 after it shall have become a law. Effective immediately, the addition,
26 amendment and/or repeal of any rule or regulation necessary for the
27 implementation of this act on its effective date are authorized to be
28 made and completed on or before such effective date.