

STATE OF NEW YORK

8583--C

2025-2026 Regular Sessions

IN SENATE

November 17, 2025

Introduced by Sens. KAVANAGH, KRUEGER, MAY -- read twice and ordered printed, and when printed to be committed to the Committee on Rules -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- recommitted to the Committee on Insurance in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the insurance law, in relation to requiring property/casualty insurance companies to submit certain zip code-level data to the department of financial services; 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. Every property/casualty insurance company doing business in this
5 state shall annually submit the following information to the department
6 with zip code-level data:
7 (a) nonrenewal rates;
8 (b) nonpayment cancellation rates;
9 (c) other cancellation rates;
10 (d) claim frequency rates;
11 (e) average claim amounts;

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

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1 (f) paid loss ratios; and

2 (g) average premiums.

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

5 § 2346-b. Homeowners insurance or property/casualty insurance; miti-
6 gation action. 1. For the purposes of this section, the following terms
7 shall have the following meanings:

8 (a) "community-level mitigation action" means an actuarially appropri-
9 ate mitigation action as demonstrated by a community or neighborhood-
10 level designation or certification or as undertaken by a government
11 entity; and

12 (b) "property-specific mitigation action" means an actuarially appro-
13 priate mitigation action that includes a verification and certification
14 process.

15 2. The superintendent shall provide for an actuarially appropriate
16 reduction in the rates of homeowners insurance premiums and
17 property/casualty insurance premiums applicable to residential real
18 property for policyholders who can demonstrate that property-specific
19 mitigation actions have been undertaken on the property or community-
20 level mitigation actions have been undertaken in sufficient proximity to
21 the property to reduce the risk of loss from a natural disaster. The
22 superintendent shall by regulation establish a process for policyholders
23 to demonstrate such mitigation actions have occurred.

24 3. An insurer shall post on its public website readily accessible
25 information on the premium discounts, incentives or other premium
26 adjustments that are available to policyholders of homeowners insurance
27 or property/casualty insurance applicable to residential real property
28 who undertake property-specific mitigation actions or provide evidence
29 of community-level mitigation actions. The website shall identify, as
30 applicable:

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

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

37 4. An insurer that issues or delivers in this state a policy that
38 insures loss of or damage to real property shall specify the nature and
39 the total percentage amount reduction of each discount applied to the
40 policy on the declarations page and specify the nature and percentage of
41 all available discounts that the insurer offers on the policy in a
42 conspicuous note entitled "DISCOUNT INFORMATION" included with the poli-
43 cy.

44 5. An insurer shall report the following information to the super-
45 intendent, in a form prescribed by the superintendent, by April first of
46 each year:

47 (a) a list of all discounts offered to insureds during the preceding
48 calendar year, including the nature of the discounts and the discount
49 percentage amounts; and

50 (b) the number of insureds who received each discount during the
51 preceding calendar year and the zip codes in which the insured proper-
52 ties are located.

53 6. A policyholder or applicant for a policy of insurance whose appli-
54 cable mitigation discount related to property-specific or community-lev-
55 el mitigation is inaccurate and provides evidence of the property-spe-
56 cific or community-level mitigation action may appeal directly to the

1 insurer. The insurer shall notify the policyholder or applicant in writ-
2 ing of the right to appeal the applicable mitigation discount when the
3 discount is provided to the policyholder or applicant as required by
4 this section. If the policyholder or applicant appeals the applicable
5 discount, the insurer shall acknowledge receipt of the appeal in writing
6 within ten calendar days after receipt of the appeal. The insurer shall
7 respond to the appeal in writing with a reconsideration and decision
8 within thirty calendar days after receiving the appeal. If an appeal is
9 denied, the insurer shall, upon request by the superintendent, forward a
10 copy of the appeal and the insurer's response, to the superintendent.

11 § 3. Subsections 1 and 2 of section 2346 of the insurance law,
12 subsection 1 as amended by chapter 454 of the laws of 1994 and
13 subsection 2 as amended by chapter 637 of the laws of 1993, are amended
14 to read as follows:

15 1. [~~The superintendent may provide for a~~] An insurer shall offer at
16 least one discount, subject to approval by the superintendent, that
17 provides an actuarially appropriate reduction in the rates of fire
18 insurance premiums or the fire insurance component of homeowners insur-
19 ance premiums applicable to residential real property for fire
20 prevention or mitigation improvements, such as when the real property is
21 equipped with smoke detecting alarm devices, approved sprinkler systems,
22 or fire extinguishers[~~, should a statistically valid study of insurer~~
23 ~~experience indicate an actuarially significant decrease in losses in the~~
24 ~~mentioned circumstances. The reductions provided for shall be~~
25 ~~proportionally related to the actuarially calculable decrease in losses~~
26 ~~in the mentioned circumstances~~].

27 2. [~~The superintendent may provide for a~~] (a) An insurer shall offer
28 at least one discount that provides an actuarially appropriate reduction
29 in the rates of homeowners insurance premiums applicable to residential
30 real property for each of the following categories of improvements:

31 (1) theft prevention or mitigation improvements, such as when the real
32 property is equipped with dead-bolt locks[~~, should a statistically valid~~
33 ~~study of insurer experience indicate an actuarially significant decrease~~
34 ~~in losses attributable to the use of such a device. The superintendent~~
35 ~~shall by regulation establish standards for dead-bolt locks for which a~~
36 ~~reduction may be approved. The reductions provided for shall be propor-~~
37 ~~tionally related to the actuarially calculable decrease in losses~~
38 ~~attributable to the use of such a device~~] or a security system; and

39 (2) water damage prevention or mitigation improvements, such as a
40 smart water monitor and shutoff device.

41 (b) An insurer shall offer a discount that provides an actuarially
42 appropriate reduction in the rates of homeowners insurance premiums
43 applicable to residential real property for the installation of a newly
44 constructed roof or a roof replacement and for each of the following
45 wind damage mitigation improvements to the property:

46 (1) improvements made to roof coverings, such as tiles or shingles,
47 for wind-resistance;

48 (2) roof deck attachments;

49 (3) secondary water resistance, including sealing and strengthening a
50 roof deck, roof and gable end vents or covers, and improvements made for
51 water intrusion resistance of attic vents; and

52 (4) roof to wall connections, including toe nails, clips, strapping,
53 or ties.

54 (c) To be considered for any discount provided for in paragraph (b) of
55 this subsection, an insurable property shall be certified as constructed
56 in accordance with any building code applicable in this state or New

1 York city, as amended from time-to-time, or such other standards as
2 approved by the superintendent.

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

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

8 (13) private passenger automobile insurance, except as provided in
9 section two thousand three hundred fifty of this article[~~7~~]; and

10 (14) homeowners insurance or property/casualty insurance applicable to
11 residential real property as it relates to the inclusion of property-
12 specific mitigation actions and community-level mitigation actions in
13 the calculation of such rates,

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

16 (1) Unless the insurer, at least [~~forty-five~~] ninety but not more than
17 [~~sixty~~] one hundred twenty days in advance of the end of the policy
18 period for nonrenewal or conditional renewal or the effective date for
19 cancellation, mails or delivers to the named insured, at the address
20 shown in the policy, a written notice of its intention not to renew a
21 covered policy, [~~or~~] to condition its renewal upon change of limits or
22 elimination of any coverages, or to cancel the policy, the named insured
23 shall be entitled to renew the policy upon timely payment of the premium
24 billed to the insured for the renewal. The specific reason or reasons
25 for nonrenewal or conditioned renewal shall be stated in or shall accom-
26 pany the notice. The specific reason or reasons for cancellation as
27 provided in subsection (c) of this section shall be stated in or shall
28 accompany the notice. This paragraph shall not apply when the named
29 insured, an agent or broker authorized by the named insured, or an
30 insurer of the named insured, has mailed or delivered written notice to
31 the insurer that the policy has been replaced or is no longer desired.

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

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

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

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

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

54 (4) Whether such residential building is owned by a limited-equity
55 cooperative; owned by a public housing authority; or owned by a cooper-
56 ative housing corporation subject to the provisions of article two,

1 article four, article five or article eleven of the private housing
2 finance law~~[-]~~; or

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

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

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

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

27 (g) In addition to fire insurance, extended coverage, coverage for
28 additional perils and homeowners insurance should the same be made
29 available through the association in accordance with a determination of
30 necessity pursuant to section five thousand four hundred twelve of this
31 article, the association may offer broad form coverage to applicants
32 seeking to insure real property at fixed locations of this state, or the
33 tangible personal property located thereon. The association may offer
34 broad form coverage until June thirtieth, two thousand twenty-eight. On
35 or before October first, two thousand twenty-seven the superintendent
36 shall require the association to report to the superintendent as to the
37 number of policies written pursuant to this subsection and paragraph
38 three of subsection (f) of section five thousand four hundred five of
39 this article, and any other information the superintendent may require.
40 On or before January first, two thousand twenty-eight, and every four
41 years thereafter, the superintendent shall report to the governor and
42 the legislature regarding the number of policies issued pursuant to this
43 section and such paragraph, the geographic location of such policies,
44 the types of policies offered, the coverage limits of such policies,
45 risk reduction investments, information on the financial standing of the
46 association and [~~shall include~~] recommendations as to the continuation
47 of such insurance offerings.

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