§ 3421. Homeowners' liability insurance; dogs. 1. With respect to homeowners' insurance policies as defined in section two thousand three hundred fifty-one of this chapter, no insurer shall refuse to issue or renew, cancel, or charge or impose an increased premium or rate for such policy or contract, or exclude, limit, restrict, or reduce coverage under such policy or contract based solely upon harboring or owning any dog of a specific breed or mixture of breeds.

2. The provisions of this section shall not prohibit an insurer from refusing to issue or renew or from canceling any such contract or policy, nor from imposing a reasonably increased premium or rate for such a policy or contract based upon the designation of a dog of any breed or mixture of breeds as a dangerous dog pursuant to section one hundred twenty-three of the agriculture and markets law, based on sound underwriting and actuarial principles reasonably related to actual or anticipated loss experience subject to the applicable provisions of section three thousand four hundred twenty-five of this article.