§ 3455. Transportation network company group insurance policies. (a) For purposes of this section, the following definitions shall apply:

(1) "Transportation network company" shall have the same meaning as set forth in article forty-four-B of the vehicle and traffic law.

(2) "Certificate" or "certificate of insurance" means any policy, contract or other evidence of insurance, or endorsement thereto, issued to a group member under a transportation network company group policy.

(3) "Transportation network company group policy" or "group policy" means a group policy, including certificates issued to the group members, where the group policyholder is a transportation network company and the policy provides insurance to the transportation network company and to group members:

(A) in accordance with the requirements of article forty-four-B of the vehicle and traffic law;

(B) of the type described in paragraph thirteen, fourteen, or nineteen of subsection (a) of section one thousand one hundred thirteen of this chapter; and

(C) in satisfaction of the financial responsibility requirements set forth in section three thousand four hundred twenty of this article, subdivision four of section three hundred eleven of the vehicle and traffic law, article fifty-one of this chapter, and such other requirements or regulations that may apply for the purposes of satisfying the financial responsibility requirements with respect to the use or operation of a motor vehicle.

(4) "Group member" means a transportation network company driver as defined in article forty-four-B of the vehicle and traffic law.

(5) "Group policyholder" means a transportation network company.

(6) "TNC vehicle" shall have the meaning set forth in article forty-four-B of the vehicle and traffic law.

(b) An insurer may issue or issue for delivery in this state a transportation network company group policy to a transportation network company as a group policyholder only in accordance with the provisions of this section.

(c)(1) A transportation network company group policy shall provide coverage for a TNC vehicle in accordance with the requirements of article forty-four-B of the vehicle and traffic law.

(2) A transportation network company group policy may provide:

(A) coverage for limits higher than the minimum limits required pursuant to article forty-four-B of the vehicle and traffic law.

(B) supplementary uninsured/underinsured motorists insurance for bodily injury pursuant to paragraph two of subsection (f) of section three thousand four hundred twenty of this article;

(C) supplemental spousal liability insurance pursuant to subsection (g) of section three thousand four hundred twenty of this chapter; and

(D) motor vehicle physical damage coverage as described in paragraph nineteen of subsection (a) of section one thousand one hundred thirteen of this chapter.

(3) The coverage described in paragraphs one and two of this subsection may be provided in one group policy or in separate group policies.

(4) A transportation network company group policy, including certificates, shall be issued by authorized insurers or from excess line brokers pursuant to section sixteen six hundred ninety-three of the vehicle and traffic law.

(5) A policyholder also may be an insured under a group policy.

(d) The premium for the transportation network company group policy, including certificates may be paid by the group policyholder from the funds contributed:

(1) wholly by the group policyholder;

(2) wholly by the group members; or

(3) jointly by the group policyholder and the group members.

(e) (1) Any policy dividend, retrospective premium credit, or retrospective premium refund in respect of premiums paid by the group policyholder may:

(A) be applied to reduce the premium contribution of the group policyholder, but not in excess of the proportion to its contribution; or

(B) be retained by the group policyholder.

(2) Any policy dividend, retrospective premium credit, or retrospective premium refund not distributed under paragraph one of this subsection shall be:

(A) applied to reduce future premiums and, accordingly, future contributions, of existing or future group members, or both; or

(B) paid or refunded to those group members insured on the date the

payment or refund is made to the group policyholder, if distributed by the group policyholder, or on the date of mailing, if distributed directly by the insurer, subject to the following requirements:

(i) The insurer shall be responsible for determining the allocation of the payment of refund to the group members;

(ii) If the group policyholder distributes the payment or refund, the insurer shall be responsible for audit to ascertain that the payment or refund is actually made in accordance with the allocation procedure; and

(iii) If the group policyholder fails to make the payment or refund, the insurer shall make the payment or refund directly or use the method provided in subparagraph (A) of this paragraph.

(3) Notwithstanding paragraphs one and two of this subsection, if a dividend accrues upon termination of coverage under a transportation network company group policy, the premium for which was paid out of funds contributed by group members specifically for the coverage, the dividend shall be paid or refunded by the group policyholder to the group members insured on the date the payment or refund is made to the group policyholder, net of reasonable expenses incurred by the group policyholder in paying or refunding the dividend to such group members.

(4) For the purposes of this subsection, "dividend" means a return by the insurer of a transportation network company group policy of excess premiums to the group policyholder in light of favorable loss experience, including retrospective premium credits or retrospective premium refunds. The term "dividend" does not include reimbursements or fees received by a group policyholder in connection with the operation or administration of a transportation network company group policy, including administrative reimbursements, fees for services provided by the group policyholder, or transactional service fees.

(f) The insurer shall treat in like manner all eligible group members of the same class and status.

(g) Each policy written pursuant to this section shall provide per occurrence limits of coverage for each group member in an amount not less than that required by this article, and may provide coverage for limits higher than the minimum limits required under the law.

(h) (1) The insurer shall be responsible for mailing or delivery of a certificate of insurance to each group member insured under the transportation network company group policy, provided, however, that the

insurer may delegate the mailing or delivery to the transportation network company. The insurer shall also be responsible for the mailing or delivery to each group member of an amended certificate of insurance or endorsement to the certificate, whenever there is a change in limits; change in type of coverage; addition, reduction, or elimination of coverage; or addition of exclusion, under the transportation network company group policy or certificate.

(2) The certificate shall contain in substance all material terms and conditions of coverage afforded to group members, unless the transportation network company group policy is incorporated by reference and a copy of the group policy accompanies the certificate.

(3) If any coverage afforded to the group member is excess of applicable insurance coverage, the certificate shall contain a notice advising the group members that, if the member has other insurance coverage, specified coverages under the transportation network company group policy will be excess over the other insurance.

(i) A group policyholder shall comply with the provisions of section two thousand one hundred twenty-two of this chapter, in the same manner as an agent or broker, in any advertisement, sign, pamphlet, circular, card, or other public announcement referring to coverage under a transportation network company group policy or certificate.

(j) A transportation network company group policy shall not be subject to section three thousand four hundred twenty-five or section three thousand four hundred twenty-six of this article; provided that the following requirements shall apply with regard to termination of coverage:

(1)(A) An insurer may terminate a group policy or certificate only if cancellation is based on one or more of the reasons set forth in subparagraph (A) through (D) or (F) through (H) of paragraph one of subsection (c) of section three thousand four hundred twenty-six of this article; provided, however, that an act or omission by a group member that would constitute the basis for cancellation of an individual certificate shall not constitute the basis for cancellation of the group policy.

(B) Where the premium is derived wholly from funds contributed by the group policyholder, an insurer may cancel an individual certificate only if cancellation is based on one or more of the reasons set forth in

subparagraph (B), (C) or (H) of paragraph one of subsection (c) of section three thousand four hundred twenty-six of this article.

(2) (A) An insurer's cancellation of a group policy, including all certificates, shall not become effective until thirty days after the insurer mails or delivers written notice of cancellation to the group policyholder at the mailing address shown in the policy.

(i) Where all or part of the premium is derived from funds contributed by the group member specifically for the coverage, the insurer shall also mail or deliver written notice of cancellation of the group policy to the group member at the group member's mailing address. Such cancellation shall not become effective until thirty days after the insurer mails or delivers the written notice to the group member.

(ii) Where none of the premium is derived from funds contributed by a group member specifically for the coverage, the group policy holder shall mail or deliver written notice to the group member advising the group member of the cancellation of the group policy and the effective date of cancellation. The group policy holder shall mail or deliver the written notice within ninety days after receiving notice of cancellation from the insurer.

(B) An insurer's cancellation of an individual certificate shall not become effective until thirty days after the insurer mails or delivers written notice of cancellation to the group member at the group member's mailing address and to the group policyholder at the mailing address shown in the group policy.

(3) (A) A group policyholder may cancel a group policy, including all certificates, or any individual certificate, for any reason upon thirty days written notice to the insurer and each group member; and

(B) The group policyholder shall mail or deliver written notice to each affected group member of the group policyholder's cancellation of the group policy or certificate and the effective date of cancellation. The group policyholder shall mail or deliver the written notice to the group member's mailing address at least thirty days prior to the effective date of cancellation.

(4) (A) Unless a group policy provides for a longer policy period, the policy and all certificates shall be issued or renewed for a one-year policy period.

(B) The group policyholder shall be entitled to renew the group policy

and all certificates upon timely payment of the premium billed to the group policyholder for the renewal, unless:

(i) the insurer mails or delivers to the group policyholder and all group members written notice of nonrenewal, or conditional renewal; and

(ii) the insurer mails or delivers the written notice at least thirty, but not more than one hundred twenty days prior to the expiration date specified in the policy or, if no date is specified, the next anniversary date of the policy.

(5) Where the group policyholder nonrenews the group policy, the group policyholder shall mail or deliver written notice to each group member advising the group member of nonrenewal of the group policy and the effective date of nonrenewal. The group policyholder shall mail or deliver written notice at least thirty days prior to the nonrenewal.

(6) Every notice of cancellation, nonrenewal, or conditional renewal shall set forth the specific reason or reasons for cancellation, nonrenewal, or conditional renewal.

(7) (A) An insurer shall not be required under this subsection to give notice to a group member if the insurer has been advised by either the group policyholder or another insurer that substantially similar coverage has been obtained from the other insurer without lapse of coverage.

(B) A group policyholder shall not be required under this subsection to give notice to a group member if substantially similar coverage has been obtained from another insurer without lapse of coverage.

(8) (A) If, prior to the effective date of cancellation, nonrenewal, or conditional renewal of the group policy, or a certificate, whether initiated by the insurer, group policyholder or by the group member in regard to the group member's certificate, coverage attaches pursuant to the terms of a group policy, then the coverage shall be effective until expiration of the applicable period of coverage provided in the group policy notwithstanding the cancellation, nonrenewal or conditional nonrenewal of the group policy.

(B) Notwithstanding subparagraph (A) of this paragraph, an insurer may terminate coverage under an individual certificate on the effective date of cancellation, if the certificate is cancelled in accordance with the provisions of subparagraph (B) of paragraph one of this subsection.

(k) Any mailing or delivery to a group member required or permitted

under this section may be made by electronic mail if consent to such method of delivery has been previously received from such group member.

(l) An insurer may issue a transportation network company group policy to a transportation network company, notwithstanding that it may be a condition of operating a vehicle on the transportation network company's digital network for the TNC driver to participate in such group policy.

(m) An insurer shall not include a mandatory arbitration clause in a policy that provides financial responsibility coverage under this section except as permitted in section five thousand one hundred five of the insurance law.