

October 15, 1991

SUBJECT: INSURANCE

WITHDRAWN

Circular Letter No. 16 (1991)

TO: MOTOR VEHICLE INSURERS AND SELF-INSURERS, WORKERS' COMPENSATION INSURERS, AND INSURANCE PRODUCER ORGANIZATIONS

RE: 1991 LEGISLATION AFFECTING MOTOR VEHICLE INSURANCE

The purpose of this Circular Letter is to alert the insurance community about new statutory requirements enacted by the Legislature in 1991 -- already, or soon to become, effective -- that impact No-Fault insurance (Chapter 320 of the Laws of 1991) and rating of motor vehicle insurance policies (Chapters 156, 166 & 339 of the Laws of 1991). Copies of these new Chapters are annexed. Regulations to implement these statutory changes have just been, or will soon be, promulgated.

#### NO-FAULT COVERAGE CHANGES

Chapter 320 takes effect November 12, 1991, and amends the No-Fault law by enhancing Personal Injury Protection (PIP) in two principal ways. First, it boosts the No-Fault wage loss benefit from a monthly maximum of \$ 1,000 to \$ 2,000. Given the legislative language, this change applies to all active claims for lost wages incurred on and after November 12, 1991, regardless of accident date.

Insurer claims personnel should be prepared to implement this change with the first payment for loss of earnings incurred on and after November 12. There may be claim files where no wage loss payments have been made because statutory offsets, particularly workers' compensation benefits, exceeded the \$ 1,000 No-Fault wage loss benefit.

Since a workers' compensation claimant may now be entitled to lost wages under the No-Fault coverage as a result of Chapter 320, workers' compensation insurers should advise those injured in motor vehicle accidents that they may be entitled to No-Fault wage loss benefits from their motor vehicle insurer.

The second change enacted into law by Chapter 320 creates a new coverage -- Optional Basic Economic Loss (OBEL). By purchasing OBEL, the insured may obtain another \$ 25,000 of Basic Economic Loss coverage to protect eligible injured persons, which could include the insured, the insured's family, passengers or pedestrians. If OBEL is purchased, the injured party may elect one of four options specifying how OBEL coverage will be applied, in the event that the first \$ 50,000 of basic No-Fault coverage is exhausted. The OBEL election is made by the injured party, following the auto accident, after the dimensions of the injury have become apparent. This new OBEL coverage must be offered, on and after November 12, 1991, to all new applicants and, upon first renewal, to policyholders.

Intensive work by Department staff, meeting with an industry advisory committee and other interested parties, has resulted in the development of new endorsements, claim rules and notices to advise policyholders of this new coverage option. The result of this work is embodied in the 22nd Amendment to Regulation 68 (11 NYCRR 65), promulgated on an emergency basis and to be effective upon filing with the Secretary of State. In addition to key transition provisions,

the 22nd Amendment contains new prescribed Mandatory PIP and OBEL Endorsements, policyholder letters, and notification forms. Please note that the new Mandatory PIP, endorsements make certain other changes involving the "eligible injured person" exclusion and proof of claim requirements, which become evident only upon close comparison with the existing endorsements.

Motor vehicle insurers will need to file new rates, rules and forms, and to institute procedures, to offer OBEL coverage. Pursuant to the 22nd Amendment, OBEL coverage rates, rules and forms must be filed on or before November 2, 1991.

In light of the elevated No-Fault wage loss benefit and the new OBEL coverage, every insurer should review forms, rates and rules currently on file with this Department, for both Mandatory and Additional PIP coverages and submit filings with appropriate adjustments. Filings to adjust Additional PIP rates, rules and forms, and Mandatory PIP rules and forms, should be made promptly. Separate filings may be made or such revisions May accompany OBEL filings to be Made on or before November 2, 1991. Mandatory PIP rate adjustments to reflect the elevated No-Fault wage loss benefit can be included with the insurer's next annual rate filing.

Additional PIP coverage is excess over the amount of Basic Economic Loss purchased by the policyholder, including OBEL. Therefore, if an insured buys \$ 50,000 in Additional PIP coverage. No-Fault coverage would total \$ 100,000 or \$ 125,060 per eligible injured person, depending on whether or not OBEL is purchased.

#### MERIT RATING PLAN SURCHARGES

Chapter 156 adds a new Section 2345 to the Insurance Law. For all policies issued or renewed on or after November 27, 1991, this new section requires insurers that surcharge for accidents or violations to identify, at least once a year, those surcharges in a dollar amount on the premium billing or on the declarations page of the policy. The 2nd Amendment to Regulation 100 (Noncommercial Private Passenger Automobile Insurance Merit Rating Plans - 11 NYCRR 169) will soon be issued. It is anticipated that the 2nd Amendment will require insurers to list dates of convictions for violations and dates of chargeable accidents, which account for the surcharged premium, on the premium billing or on the declarations page.

Chapter 166 amends Section 605(a)(1) of the Vehicle and Traffic Law. Effective for all accidents on and after August 1, 1991, the monetary threshold for accidents that must be reported to the Department of Motor Vehicles (DMV) has been raised from \$ 600 to \$ 1,000. Under Regulation 100 this DMV reporting threshold serves as the basis for surcharging the auto insurance premium fur a motor vehicle accident, and this change will also be reflected in the 2nd Amendment.

A motor vehicle insurer may surcharge a policyholder when aggregate property damage resulting from an accident exceeds the DMV reporting threshold and the circumstances surrounding the accident are surchargeable in accordance with the insurer's filed and approved merit rating plan and the requirements of Regulation 100. Therefore every insurer that utilizes the DMV reporting threshold should file an appropriate merit rating plan amendment.

In addition to 1991 legislative changes, insurers should be aware that Chapter 747 of the Laws of 1990 added a new subsection (d) to section 2335 of the Insurance Law. Effective October 20, 1990, this new subsection prohibits the application of private passenger automobile merit rating plan surcharges for any accident that occurs "while operating a commercial vehicle in the course of employment and in the discharge of the employee's duties at the time of the accident, unless the accident is determined to have been caused by the intentional action or gross negligence of the insured." The 2nd Amendment to Regulation 100 will also incorporate this change and insurers should file an appropriate merit rating plan adjustment.

#### ACCIDENT PREVENTION COURSE DISCOUNT

Effective immediately upon its enactment on July 15, 1991, Chapter 339 of the Laws of 1991 amended Section 2336 of the Insurance Law to provide that discounts for completion of approved accident prevention courses must be applied upon the insured's presentation of a certificate of completion.

The discount must be given as of the date of presentation, unless the certificate is presented within forty-five days of policy renewal date. If the certificate is presented within the forty-five day period, the insurer may apply the discount upon renewal. In either event, the discount must be applied for the full three-year period required by the law. If necessary, insurers should file rating manual amendments to conform to this new law.

\* \* \*

A motor vehicle insurer's underwriting officer, and a workers' compensation insurer's claims officer should acknowledge in writing receipt of this Circular Letter, no later than October 31, 1991. The acknowledgement should be sent to Joseph Smeragliuolo, Associate Examiner Property & Casualty Insurance Bureau, at the above address. All filings should be directed to the Property & Casualty Insurance Bureau at the above address. Please direct any questions concerning this Circular Letter to Mr. Smeragliuolo.(212-602-0338).

Very truly yours, [SIGNATURE]

SALVATORE R. CURIALE

SUPERINTENDENT OF INSURANCE

1991-1992 Regular Sessions

SENATE - ASSEMBLY

June 3, 1991

IN SENATE -- Introduced by COMMITTEE ON RULES -- 7 read twice and ordered printed, and when printed to be committed to the Committee on Rules

IN ASSEMBLY -- 7 Introduced by COMMITTEE ON RULES -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law, in relation to deduction or credit by a shareholder under the article 22 income tax for tax imposed under article 9-A of the tax law, or by another state or political subdivision thereof, on the income of an S corporation, and the administrative code of the city of New York, in relation to such deduction; to amend the tax law, in relation to making technical corrections necessitated by enactment of chapter 190 of the laws of 1990 and in relation to imposing a consumption tax on carriers, a tax on energy businesses and a supplemental tax on petroleum and aviation fuel businesses under article 13-A, thereof; the sales tax on telephone answering services; to amend the public authorities law, in relation to tax exemptions; to amend the tax law, in relation to fixing the corporate alternative minimum tax rate at its current level; and to amend chapter 517 of the laws of 1986 amending the public authorities law and public service law relating to creating the Long Island power authority, in relation to obligations by the Long Island lighting company under the tax law; to amend the tax law and the state finance law, in relation to the declaration and payment of estimated tax for certain temporary metropolitan transportation business tax surcharges; to amend the tax law, the general city law, the administrative code of the city of New York, the codes and ordinances of the city of Yonkers, revising the schedule for remitting withholding tax returns and payments, requiring the filing of a quarterly combined withholding and wage reporting return, to repeal certain provisions of the tax law, and the administrative code of the city of New York relating thereto; to amend the vehicle and traffic law, in relation to imposing a surcharge on certain registration fees; to amend the tax law, in relation to tax to be his discretion, issue a renewal of either registration for a period of two years. The fee for a two-year renewal shall be twice the annual fee. The annual fee for

dealer or transporter number plates shall be twenty dollars for each set. If the commissioner issues to dealers a document which is required to be used by a dealer [ILLEGIBLE TEXT] a vehicle the fee for the issuance of each such document [ILLEGIBLE TEXT] There [ILLEGIBLE SENTENCE] in the event of suspensions, revocation or voluntary cancellation of registration. The fee for any such transfer document issued by the commissioner shall be refunded only upon the surrender of such document upon voluntary cancellation of registration.

§ 218. Paragraph 1 of subdivision (a) of section 605 of the vehicle and traffic law, as amended by chapter 254 of the laws of 1989, is amended to read as follows:

1. Every person operating a motor vehicle which is in any manner involved in an accident, anywhere within the boundaries of this state, in which any person is killed or injured, or in which damage to the property of any one person, including himself, in excess of [six hundred] one thousand dollars is sustained, shall within ten days after such accident, report the matter in writing to the commissioner. If such operator or chauffeur be physically incapable of making such report and there be another participant in the accident not incapacitated, such participant shall make such report within ten days after such accident. If the operator or chauffeur involved in such accident be unable to make such report, the owner of the motor vehicle involved in such accident, if such owner be not involved in such accident or incapacitated, shall within ten days after he learns of the fact of such accident report the matter to the commissioner together with such information as may have come to his knowledge relating to such accident. Every such operator or chauffeur of a motor vehicle, or participant in any such accident, or owner of the motor vehicle involved in any such accident, shall make such other and additional reports as the commissioner shall require.

§ 219. Subdivision (b) of section 332 of the vehicle and traffic law, as amended by chapter 144 of the laws of 1985, is amended to read as follows:

(b) The judgment herein referred to shall mean any judgment in excess of [six hundred] one thousand dollars for damages because of injury to or destruction of property including loss of use thereof, or any judgment for damages, including damages for care and loss of services, because of bodily injury to or death of any person arising out of the ownership, maintenance, use or operation of any motor vehicle.

§ 220. Subdivision (a) of section 335 of the vehicle and traffic law, as amended by chapter 144 of the laws of 1985, is amended to read as follows:

(a) Not less than ten days nor more than sixty days after receipt by him of the report or notice of an [ILLEGIBLE TEXT] which has [ILLEGIBLE TEXT] in bodily [ILLEGIBLE SENTENCES] thousand dollars, the commissioner shall forthwith [ILLEGIBLE TEXT] of any person operating, and the registration certificates and registration plates of any person owning, a motor vehicle in any manner involved in such accident unless and until such operator (or chauffeur) or owner or both shall have previously furnished immediately furnishes security sufficient in the judgment of the commissioner to satisfy any judgment or judgments for damages resulting from such accident as may be recovered against such owner or operator (or chauffeur) by or on behalf of any aggrieved person or his legal representative, and unless and until such owner or operator (or chauffeur) or both shall immediately furnish and thereafter maintain proof of financial responsibility in the future. Where erroneous information with respect to insurance coverage of the owner or operator (or chauffeur) of any such vehicle is furnished to the commissioner, he shall take appropriate action as above provided within sixty days after the receipt by him of correct information with respect to such coverage. This section shall not apply: (1) to such owner or operator (or chauffeur) if such owner had in effect at the time of such accident with respect to such motor vehicle a standard provisions automobile liability policy in form approved by the superintendent of insurance and issued by an insurance company authorized to do business in this state or, if such motor vehicle was not registered in this state or was a motor vehicle which was registered elsewhere than in this state at the effective date of the policy, or the most recent renewal thereof, an automobile liability policy acceptable to the superintendent of insurance as substantially the equivalent of such standard provisions automobile liability policy; (2) to such operator (or chauffeur), if not the owner of such motor vehicle, if there was in effect at the time of such accident such a policy with respect to his operation of motor vehicles not owned by him or, if such motor vehicle was a private passenger motor

vehicle, with respect to his operation of private passenger motor vehicles not owned by him or (3) to such owner or operator (or chauffeur) if the liability of such owner or operator (or chauffeur) for damages resulting from such accident is, in the judgment of the commissioner, covered by any other form of liability insurance policy issued by an insurance company authorized to do business in this state or by a bond, provided every such policy or bond mentioned herein is subject, if the accident has resulted in bodily injury, to a limit, exclusive of interest and costs, of ten thousand dollars or death to a limit, exclusive of interest and costs, of fifty thousand dollars, because of bodily injury to or death of one person in any one accident and, subject to said limit for one person, to a limit of twenty thousand dollars because of bodily injury to or one hundred thousand dollars because of death of two or more persons in any one accident, and, if the accident has resulted in injury to or destruction of property, to a limit of five thousand dollars because of injury to or destruction of property of others in any one accident or (4) to such owner or operator if the commissioner shall determine that the failure to have liability coverage as described above was caused solely by the negligence or malfeasance of a person other than the person whose license or registration has been suspended or is subject to suspension, and that the person seeking to avoid such suspension was not aware of the lack of such liability coverage. However, with respect to the provisions of (4) above, the burden of proof shall be upon the person seeking to avoid such suspension action. Provided further, that such facts shall be established by clear and convincing evidence, either by the submission of affidavits or at a hearing called in the discretion of the commissioner.

Upon receipt of notice of such accident, the insurance carrier or surety company which issued such policy or bond shall furnish for filing with the commissioner a written notice that such policy or bond was in effect at the time of such accident or shall notify the commissioner in such manner as he may require in case such policy or bond was not in effect at the time of such accident.

In case any such operator (or chauffeur) or owner has no license to operate issued under this chapter or no motor vehicle registered in [ILLEGIBLE WORD] name in this state, he shall not be allowed a license or registration until he has complied with this article to the same extent as would be necessary if he had held an operator's or chauffeur's license and a motor vehicle registration issued under this chapter at the time of the accident.

§ 221. Paragraph (b) of subdivision 1-a of section 318 of the vehicle and traffic law, as amended by chapter 781 of the laws of 1983, is amended to read as follows:

(b) Notwithstanding the provisions of paragraph (a) of this subdivision, an order of suspension may be terminated if the registrant pays to the commissioner a civil penalty in the amount of [four] six dollars for each day up to ninety days for which financial security was not in effect. The foregoing provision shall apply only once during any thirty- six month period and only if the registrant surrendered the certificate of registration and number plates to the commissioner not more than ninety days from the date of termination of financial security or submits to the commissioner new proof of financial security which took effect not more than ninety days from the termination of financial security.

§ 222. Paragraphs (b) and (c) of subdivision 2 of section 202 of the vehicle and traffic law, as amended by chapter 61 of the laws of 1989, are amended to read as follows:

(b) The fee for a search which is made by direct entry by a requester who has been approved for such entry by the commissioner shall be [three] four dollars.

(c) The fee for a search which is made by means of an electronic medium which has been prepared by a requester who has been approved for such service by the commissioner and which is processed by the department shall be [two] four dollars.

§ 223. Subdivision (a) of section 305 of the vehicle and traffic law, as amended by chapter 61 of the laws of 1989, is amended to read as follows:

(a) The fee for each certificate of inspection issued by the commissioner, to be collected from the owner of an official inspection station to whom issued, shall be [one dollar and twenty-five cents] two dollars. The provisions, of

this subdivision shall not apply to the state, a city, county, village, town or school district, or any of the departments thereof. A refund may be made, or credit allowed, for unused certificates of inspection, or for certificates lost, mutilated or destroyed, to the extent provided by the regulations promulgated by the commissioner.

§ 224. Section 398-d of the vehicle and traffic law is amended by adding two new subdivisions 5 and 5-a to read as follows:

5. Every person who shall write any auto body repair estimate on behalf of a motor vehicle repair shop, whether registered or not, and any person who acts on behalf of an insurer or independent adjuster working on behalf of an insurer, in the work of diagnosing or estimating motor vehicle repair costs or procedures relative to appraising investigating adjusting claims for auto body repair work pursuant to an insurance contract must hold a valid estimator's license for such purpose issued by the commissioner. The form and manner of applying for such license shall be prescribed by regulation to be promulgated by the commissioner. The commissioner shall in his discretion establish criterion for the issuing of such license. Each application for the license required hereunder shall be accompanied by an application fee of twenty-five dollars which shall in no event be refunded. If an applica law shall remain in effect until the last day of the third month of the taxpayer's taxable year beginning in 1992, subject to the transition provisions of section 699 of the tax law;

(j) The provisions of sections one hundred fifty-four through one hundred fifty-nine of this act shall take effect September 1, 1991, and shall apply to all sales or uses made on or after that date although made under a prior contract, except that a delivery or transfer of possession of computer software on or after such date pursuant to an agreement for the sale of such software made before May 1, 1991, shall not be subject to tax if (1) such agreement for the sale of to such software was made in writing, (2) the software so sold or agreed to be sold was segregated, before May 1, 1991, from any other similar property in the vendor's possession and identified as having been appropriated to such sale or agreement of sale, and (3) the purchaser, before September 1, 1991, shall have paid to the vendor not less than ten percent of the sale price of such software;

(k) The provisions of sections one hundred sixty, one hundred sixty-a and one hundred sixty-one of this act shall take effect on September 1, 1991, and any tax imposed on receipts or consideration subject to tax by reason of such sections shall be paid with respect to the sale or use of tangible personal property or services associated with such receipts where such tangible personal property is delivered or such services are rendered after August 31, 1991, although delivered or rendered under a prior contract;

(l) The provisions of sections one hundred sixty-two through one hundred sixty-four of this act shall take effect immediately and shall apply to estates of decedents dying after the effective date of this act and with respect to gifts made in calendar years beginning on and after January I, 1991;

(m) The provisions of sections one hundred ninety-two, one hundred ninety-three and one hundred ninety-four of this act shall apply to all determinations of eligibility not finally and irrevocably fixed as of the date on which this act shall have become a law;

(n) The provisions of sections one hundred ninety-six and one hundred ninety-seven of this act shall take effect thirty days after this act shall have become a law;

(o) The provisions of:

(1) sections two hundred sixteen-b through two hundred twenty-three of this act shall take effect August 1, 1991;

(2) sections two hundred twenty-four and two hundred twenty-five of this act shall take effect on the one hundred eightieth day after this act shall have become a law provided, however, that the adoption, amendment or repeal of any rule or regulation necessary for the implementation of such sections is authorized to be completed on or before such effective date;

(3) sections two hundred twenty-seven through two hundred thirty-eight of this act shall take effect on the first day of September next succeeding the date on which it shall have become a law, provided however, that effective immediately, the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of the foregoing sections of this act on their effective date are authorized and directed to be made and completed within 180 days after the date on which these sections become law; and

(4) section two hundred forty of this act shall take effect August 1, 1991:

1991-1992 Regular Sessions

IN ASSEMBLY

May 14, 1991

Introduced by COMMITTEE ON RULES -- (at request of M. of A. Koppell) -- read once and referred to the Committee on Insurance

AN ACT to amend the insurance law, in relation to increasing the maximum payment for lost earnings and to expanding the definition [ILLEGIBLE TEXT] economic, loss under the no-fault automobile insurance law

The People of the State of New York, represented in Senate [ILLEGIBLE TEXT]bly, do enact as follows:

1 Section 1. Paragraph 2 of subsection a) of section [ILLEGIBLE TEXT] insurance law is amended to read as follows:

(2) Loss of earnings from work which the person would have performed had he not been injured, and reasonable and necessary expenses incurred by such person in obtaining services in lieu of those that he would have performed for income, up to (one) two thousand dollars per month for not more than three years from the date of the accident causing the injury. An employee who is entitled to receive monetary payments, pursuant to statute or contract with the employer, or who receives voluntary monetary benefits paid for by the employer, by reason of the employee's inability to work because of personal injury arising out of the use or operation of a motor vehicle, is not entitled to receive first party benefits for "loss of earnings from work" to the extent that such monetary payments or benefits from the employer do not result in the employee suffering a reduction in income or a reduction in the employee's level of future benefits arising from a subsequent illness or injury.

§ 2. Subsection (a) of section 5102 of the insurance law is amended by adding a new paragraph 5 to read as follows:

(5) "Basic economic loss" shall also include an additional option to purchase, for an additional premium, an additional twenty-five thousand dollars of coverage which the insured or his legal representative may specify will be applied to loss of earnings from work and/or psychiatric, physical or occupational therapy and rehabilitation after the initial fifty thousand dollars of [ILLEGIBLE TEXT] has been exhausted [ILLEGIBLE TEXT] with [ILLEGIBLE TEXT] such coverage [ILLEGIBLE TEXT] by an [ILLEGIBLE TEXT] first policy renewal after the effective date of this paragraph, or at the time of application.

§ 3. this act shall take effect 120 days after it shall have become a law.

1391-1392 Regular Sessions

IN SENATE

April 4, 1991

Introduced by Sens. SOLOMON, BABBUSH, CONNOR, CALIBER, GOLD, HALPERIN, KORMAN, MARKOWITZ, MENDEZ, MONTGOMERY, ONORATO, PATERSON, SMITH, STACHOWSKI, WALDON -- read twice and ordered printed, and when printed to be committed to the Committee on insurance -- reported favorably from said committee, ordered to first and second report, ordered to a third reading, substituted for Assembly No. 797, substitution reconsidered, restored to third reading, amended and ordered reprinted, retaining its place in the order of third reading -- again amended and ordered reprinted, retaining its place in the order of third reading

AN ACT to amend the insurance law, in relation to the expression of surcharges in, dollar amounts

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

Section 1. The insurance law is amended by adding a new section 2345 to read as follows:

§ 2345. Rate surcharges to be expressed in dollar amounts. Every private passenger automobile insurer doing business in this state which utilizes accident or violation surcharges on its premium rates shall identify such surcharges in a dollar amount on premium billing or on the declaration page of the policy and disclose same to each of its affected a surcharged insureds at least once a year.

§ 2. This act shall take effect on the one hundred eightieth day after it shall have become a law except that any rules and regulations necessary for the timely implementation of this act on its effective date shall be promulgated on or before such date. the amendments made to sections 517 and 613 of the retirement and social security law by sections one and two of this act shall not affect the expiration of, and shall expire at 782 same time as, certain provisions contained therein as set forth in section 8 of chapter of the laws of 1988.

PASSENGER AUTOMOBILE INSURANCE PREMIUMS--INCREASE AFTER COMMERCIAL VEHICLE ACCIDENT--PROHIBITION

CHAPTER 747

A. 12155

Approved July 22, 1990, effective as provided in section 4

AN ACT to repeal section 107 a of the vehicle and traffic law and subsection (d) of section 2335 of the insurance law as added by the chapter of the laws of 1990 as proposed in legislative bill numbers S.5167 and A.9459 amending the vehicle and traffic law and to amend the relating to motor vehicle liability insurance rates for commercial vehicles and to amend the insurance law in relation to non-vommercial private automobile insurance premiums and commercial vehicle accidents

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

§ 1. Section 107-a of the vehicle and traffic law, as added bythe chapter of the laws of 1990 as proposed in legislative bill numbers S.5167 and A.9459, is REPEALED.

§ 2. Subsection (d) of section 2335 of the insurance law, as added by the chapter of the laws of 1990 as proposed in legislative bill numbers S.5167 and A.9459, is REPEALED.

§ 3. Subsection (c) of section 2335 of the insurance law is amended and new subsection (d) is added to read ad follows:

(c) has had an accident while operating a motor vehicle in response to an emergency, where the insured was either

responding to a call to duty as a paid or volunteer member of any police or fire department or first aid squad; was performing any other function on behalf of the state, any political subdivision thereof, a public authority; public benefit corporation, or any other governmental agency or instrumentality in public emergency; or

(d) With the respect to a non- commercial private passenger automobile insurance policy, has had an accident while operating a commercial vehicle in the course of employment and in the discharge of the employee's duties at the time of the accident, unless the accident is determined to have been caused by the intentional action or gross negligence of the insured

§ 4. This act shall take effect on the ninetieth day after it shall have become a law provided that the amendment to section 2335 of the insurance law made by section three of this act shall expire on the same date as such section expires and shall not affect the expiration of such section 2342 of the insurance law, as amended by chapter 185 of the laws of 1998.

1991-1992 Regular Sessions

IN ASSEMBLY

January 24, 1991

Introduced by M. of A. COLMAN, BENNETT, CLARK, JENKINS -- Multi-Sponsored by -- M. of A. BRENNAN, GREENE, JACOBS, KOPPEL, MARSHALL, MORELLE, SANDERS, SEABROCK, WEINSTEIN -- read once and referred to the Committee on Insurance -- reported from committee, advanced to a third reading, amended and ordered reprinted, retaining its place on the order of third reading

AN ACT to amend the insurance law, in relation to motor vehicle liability and collision insurance premium reductions

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

Section 1. Section 2336 of the insurance law is amended by adding a new subdivision (d) to read as follows:

(d) Premium Charge reductions made pursuant to the provisions of subdivision (a) of this section shall be effective upon presentation to the insurer of a certificate of completion by the insured unless presented within forty-five days prior to the renewal of the policy, in which case the insurer may elect to commence the discount upon the first day of the new policy period for the full term of statutory discount. A discount applied during a policy period shall be prorated over the term of the policy.

§ 2. This act shall take effect immediately provided, however, that the amendment made to section 2336 of the insurance law by section one of this act shall not affect the expiration of such section as last extended and the provisions of such section added by this act, shall be deemed to expire therewith.