



**STATE OF NEW YORK  
INSURANCE DEPARTMENT**  
25 AGENCY BUILDING ONE  
EMPIRE STATE PLAZA  
ALBANY, NY 12257

George E. Pataki  
Governor

Howard Mills  
Superintendent

**Circular Letter No. 15 (2005)**  
**July 22, 2005**

**TO: ALL PROPERTY/CASUALTY INSURANCE COMPANIES; CO-OPERATIVE  
PROPERTY/CASUALTY INSURANCE COMPANIES; RECIPROCAL INSURERS;  
FINANCIAL GUARANTY INSURANCE CORPORATIONS; AND NEW YORK MEDICAL  
MALPRACTICE INSURANCE PLAN**

**RE: PROPERTY/CASUALTY INSURANCE SECURITY FUND**

**STATUTORY REFERENCE: INSURANCE LAW SECTIONS 7603 AND 7606**

Calculations made in accordance with the requirements of Sections 7603 and 7606 of the New York Insurance Law indicate that the net value of the Property/ Casualty Insurance Security Fund as of December 31, 2004 was less than \$150 million. In accordance with Section 7603(c)(1), additional contributions are due after the determination that the net value is less than \$150 million.

The first and second quarterly filings will be due on or before September 15, 2005; the third and fourth quarterly filings will be due on November 15, 2005 and February 15, 2006 respectively. The required [report forms](#), additional [information and instructions](#) will follow both in hard copy and on the Department's website.

In view of issue date of this Circular Letter, the late payment provisions of Section 7614 will not be imposed on an insurer for the first and second quarterly filings, provided the insurer submits these filings by September 15, 2005.

During the fund year ending December 31, 2004, payments were made from the Property/Casualty Insurance Security Fund for various kinds of insurance as defined in Insurance Law Section 1113. Accordingly, contributions to the Property/Casualty Insurance Security Fund shall be continued on the basis of "net direct written premiums" on policies insuring property or risks located or resident in this state for each of the following Lines of Business as listed on Page 30 (New York Business) of the Annual Statement. "Net direct written premiums" equals column 1 minus column 3 on Page 30. The premiums and dividends in column 1 and 3 respectively shall be adjusted to account for premiums subject to contributions to the Public Motor Vehicle Liability Security Fund. The contributions shall be made on a quarterly basis by multiplying the factor listed by the 2005 quarterly net direct written premium to which it applies.

Annual Statement Line

Applicable Factor

1.	Fire	.0010
2.1	Allied lines	.0006
2.2	Multiple peril crop	xxxx
2.3	Federal flood	.0006
3.	Farmowners multiple peril	.0016
4.	Homeowners multiple peril	.0019
5.1	Commercial multiple peril (non liability portion)	.0008
5.2	Commercial multiple peril (liability portion)	.0072
6.	Mortgage Guaranty	xxxx
8.	Ocean marine	.0027
9.	Inland marine	.0004
10.	Financial guaranty	.0000
11.	Medical malpractice	.0072
12.	Earthquake	.0006
13.	Accident & Health	.0000
16.	Workers' Compensation	xxxx
17.	Other liability	.0072
18.	Product liability	.0072
19.1	Private passenger auto no-fault (PIP)	.0072
19.2	Other private passenger auto liability	.0072
19.3	Commercial auto no-fault (PIP)	.0072
19.4	Other commercial auto liability	.0072
21.1	Private passenger auto physical damage	.0000
21.2	Commercial auto physical damage	.0000
22.	Aircraft (all perils)	.0044
23.	Fidelity	.0031
24.	Surety	.0031
26.	Burglary and theft	.0006
27.	Boiler and machinery	.0002
28.	Credit	xxxx

Pursuant to regulations of the Federal Crop Insurance Corporation (7 CFR Part 400, subpart L), Multiple Peril Crop Insurance premiums on policies reinsured by the Federal Crop Insurance Corporation under its Standard Reinsurance Agreement continue to be exempt from contribution.

Please acknowledge receipt of this letter and refer any questions to:

Mark E. Daigneault

Director of Taxes and Accounts  
New York State Insurance Department  
One Commerce Plaza  
Albany, NY 12257

Sincerely,

Howard Mills  
Superintendent of Insurance