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**JAMES L. SEWARD**  
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March 19, 2018

Mr. Alphonso David  
Counsel to the Governor  
Executive Chamber  
New York State Capitol  
Albany, New York 12224

Re: S.7288 (Seward)/A.8933 (Morelle) - AN ACT to amend the insurance law, in relation to certain supplementary insurance

Dear Mr. David:

As the sponsor of the above-referenced chapter amendment legislation, I would like to provide comments in support of this legislation.

Chapter 490 of the laws of 2017 included a number of new requirements relative to supplementary uninsured/underinsured motorist insurance coverage ("SUM coverage") and this chapter amendment legislation would clarify certain provisions of Chapter 490. For example, this chapter amendment would clarify that the requirements of this bill would not apply to any policy of commercial risk insurance, and would provide some flexibility relative to the specific language and font of the form advising insureds about SUM coverage. Furthermore, the amendment establishes that SUM coverage shall be equal to the level of bodily injury liability coverage unless the insured signs a waiver requesting lower coverage or declining the coverage. Ensuring flexibility for the insurance industry in complying with the new requirements of Chapter 490 of the laws of 2017 is important to me. The intent of this language is to allow compliance flexibility so insurers would be able to meet the important goals and requirements of the legislation in a manner which minimizes disruption to the business model and processes of the insurer.

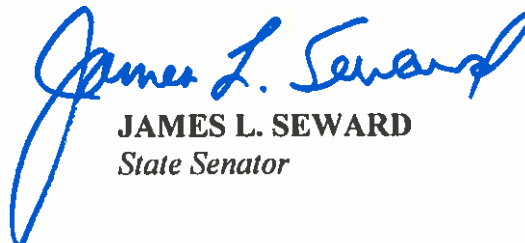
Along the lines of ensuring compliance flexibility, I would like to clarify the intent and purpose behind the provisions of subparagraph (C) of the new paragraph 2-a of subsection (f), added to section 3420 of the Insurance Law by Chapter 490 of the laws of 2017. The intent of the language in subparagraph (C) was to allow insurers the option to require that the insured's SUM coverage limit would equal the insured's bodily injury liability insurance limit under the motor vehicle liability insurance policy in lieu of going through the procedures set forth in subparagraph (A) relative to obtaining a waiver from the insured requesting lower coverage or declining coverage. Obviously, if in complying with Chapter 490 of the laws of 2017, the insurer were to choose the option to require SUM coverage limits to equal the insured's bodily injury liability insurance limit, then the insurer would not be required to allow the insured to choose lower SUM coverage limits or to choose to decline the coverage and sign a waiver.



Under these circumstances, the insured is unable/does not have the option to select lower SUM coverage limits and/or decline SUM coverage, and therefore the requirement to produce a form to provide an insured with the ability to select lower SUM coverage limits than bodily injury coverage limits or decline SUM coverage no longer applies.

Thank you for your consideration of these comments and I urge Governor Cuomo to sign the above-referenced chapter amendment legislation.

Sincerely,

A handwritten signature in blue ink that reads "James L. Seward". The signature is fluid and cursive, with a large loop at the end of the last name.

**JAMES L. SEWARD**  
*State Senator*

JLS:mh