

CERTIFICATES OF INSURANCE LEGISLATION



You Helped Make This Happen!

IIABNY celebrated a major win for all members issuing certificates of insurance after legislation it helped develop was signed into law by Gov. Andrew Cuomo on January 29, 2015. The new law will become effective on July 28, 2015 and will stop businesses and government agencies from pressuring insurance producers into issuing certificates of insurance that include language of any kind, including warranties of coverage, not found in the underlying policy.

You, our members, played a huge part in this successful effort! Thank you to all of you who attended previous L Days in Albany to lobby on this issue, met with lawmakers in your districts, sent letters and emails, made phone calls and relentlessly worked to raise legislators' awareness of this issue. Your strong support was invaluable.

IIABNY worked with the governor's office, state Department of Financial Services (DFS) and State Legislature over the past several months to come to an agreement on amendments to the law raised by concerned parties. The governor signed this bill contingent on the legislature passing these amendments which were passed by the Legislature and signed by the Governor on March 13, 2015. Now that the amendment has been signed by the Governor, the new law will take effect July 28, 2015, which is 180 days from the date the governor signed the law in January.

The new law will resolve certificate problems by:

- Prohibiting anyone from requiring a certificate to include terms, conditions or language of any kind, including warranties or guarantees, when these are not found in the policy.
- Clarifying that certificates cannot change coverage provided by the policy and cannot confer new rights.
- Prohibiting anyone from requiring a producer to issue a liability certificate unless it is:
 - 1) a form issued by the insurer,
 - 2) a standard certificate issued by an industry standard-setting organization that has been approved by DFS, or
 - 3) any other form which has been approved for use by the DFS.
- Authorizing the DFS to levy fines up to \$2,000 for those in the private sector that violate the law.

IIABNY is working with the DFS to develop a complaint process and also determine how approved forms will be made public. IIABNY has created a special resource section on its website, where you will find a one-page fact sheet and an archived Member Q&A webinar that was presented on March 19. We are also reaching out to other trade associations and state agencies to educate them on the new law. The DFS has posted information on its website on how to submit a certificate for approval.

Get the latest information at www.iiabny.org/certificates