



## **New York Assigned Risk Plan- Notice of Premium Credit for Personal Auto Policyholders**

**Effective Date(s)**

**April 30, 2020**

**State(s)**

New York

**Filing No.**

NY 20-06

**Distribution Contents**

All Companies Writing Automobile Insurance in **New York**

The New York Department of Insurance has approved a premium credit to provide rate relief to private passenger risks insured through the New York Assigned Risk Plan due to the effects of the Covid-19 pandemic.

### **Below is a description of the changes:**

1. For personal automobile policies in effect on and after May 1, 2020, policyholders will receive a 15% premium credit for each month the policy was in force during May and June.
2. If the premium has been paid in full, the applicable 15% credit will be issued as a refund.
3. Refunds on financed premium would be directed to the premium finance company (PFC).
4. Producers should not be required to return commission on the credited premium.
5. Carriers may determine the method and timing of credits/refunds.
6. Carriers would treat and report the credit to stat agents as a negative premium.
7. All credits and refunds are subject to approval from the NY State Department of Financial Services.

**Attachment(s)**

**None**

**Response Required**

**None**

**Contact**

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*New **Rule 44** is added, reading as follows:*

**Rule 44. COVID-19 Credit**

For insureds with New York Private Passenger Auto Insurance Policies, assigned insurers will provide a premium credit of 15% for the period of time a policy is in effect during May, 2020 and/or June, 2020.

If the premium was paid in full, the assigned insurer will issue the applicable 15% premium credit as a refund. If the premium is financed, the refund will be issued to the premium finance company.

The timing and form of refunds are at the discretion of the assigned insurer.