



STATE OF NEW YORK  
INSURANCE DEPARTMENT  
25 BEAVER STREET  
NEW YORK, NEW YORK 10004

George E. Pataki  
Governor

Howard Mills  
Superintendent

**Circular Letter No. 20 (2006)**  
**October 23, 2006**

**TO: ALL AUTHORIZED PROPERTY/CASUALTY INSURERS, RATE SERVICE ORGANIZATIONS, INSURANCE PRODUCER ORGANIZATIONS, AND THE NEW YORK PROPERTY INSURANCE UNDERWRITING ASSOCIATION**

**RE: HOMEOWNERS INSURANCE DISCLOSURE INFORMATION AND OTHER NOTICES  
EMERGENCY ADOPTION OF THE FIRST AMENDMENT TO REGULATION NO. 159 (11 NYCRR 74)**

**STATUTORY REFERENCE: SECTIONS 201, 301, 3425, 3445 and 5403 OF THE INSURANCE LAW**

The Superintendent has promulgated the First Amendment to Regulation No. 159 (11 NYCRR 74) on an emergency basis.

The regulation implements Chapter 162 of the Laws of 2006, effective November 23, 2006, which amended Section 3425(e) of the Insurance Law to require notices of cancellation, nonrenewal, and conditional renewal to include certain minimum notification requirements with respect to certain homeowners policies as specified in Section 2351(a) of the Insurance Law on property located in an area served by a market assistance program established by the Superintendent for the purpose of facilitating placement of homeowners insurance.

Chapter 162 also added a new Section 5403(d) of the Insurance Law, which directs the New York Property Insurance Underwriting Association (NYPIUA) to notify policyholders that may be eligible for coverage in the market assistance program of the availability of coverage.

The Emergency First Amendment to Regulation 159 establishes the minimum notification requirements pertaining to the cancellation, nonrenewal and conditional renewal notices required by Chapter 162. The regulation requires that the notice shall be conspicuous and provide sufficient information on how to apply to the market assistance program and to NYPIUA, including the name, address, telephone number and Web site address of the administrator of the market assistance program and of NYPIUA.

Currently, the Coastal Market Assistance Program (CMAP) is the only market assistance program established by the Superintendent for the purpose of facilitating placement of homeowners insurance. The administrator of CMAP is NYPIUA.

The following is the contact information for NYPIUA and CMAP:

NYPIUA  
100 William Street,  
New York, New York 10038  
Telephone (212) 208-9700  
<http://www.nypiua.com>

Insurers must comply with the requirements set forth in the regulation for cancellation, nonrenewal, and conditional renewal notices issued on or after November 23, 2006. Even though there is software readily available that can be used to measure distance from shore, some insurers may still have difficulty in determining which properties may be eligible for participation in the market assistance program. The Department has been asked whether insurers may include the notices on all cancellation, nonrenewal, or conditional renewal notices. The Department does not object to including the required information on all cancellation, nonrenewal, or conditional renewal notices as long as the notice is clear and not misleading and provides sufficient information for the insured to ascertain whether the property may be so eligible.

The regulation also states that on or after November 23, 2006, upon issuance or renewal of the policy, NYPIUA must provide the same information stated above regarding a market assistance program to a policyholder that may be eligible for coverage in such a program of the availability of such coverage.

Any question regarding this Circular Letter should be directed to:

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25 Beaver Street  
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by email at [lcilione@ins.state.ny.us](mailto:lcilione@ins.state.ny.us)

Very Truly Yours,

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Mark Presser  
Assistant Deputy Superintendent &  
Chief Examiner  
Property Bureau