

1 Intentionally Omitted

2 PART HH

3 Intentionally Omitted

4 PART II

5 Intentionally Omitted

6 PART JJ

7 Intentionally Omitted

8 PART KK

9 Section 1. Section 4 of part WW of chapter 56 of the laws of 2022
10 amending the public officers law relating to permitting videoconferenc-
11 ing and remote participation in public meetings under certain circum-
12 stances, is amended to read as follows:

13 § 4. This act shall take effect immediately and shall expire and be
14 deemed repealed July 1, [2024] 2026.

15 § 2. This act shall take effect immediately.

16 PART LL

17 Section 1. Paragraph 2 of subsection (f) of section 1308 of the insur-
18 ance law, as amended by section 2 of chapter 802 of the laws of 1985, is
19 amended to read as follows:

20 (2) Any domestic life insurance company proposing to assume by rein-
21 surance all or any part of the business in force, other than portions of
22 individual risks, of any domestic, foreign or alien life insurance
23 company, fraternal benefit society or other organization having
24 outstanding policies or certificates of life insurance or accident and
25 health insurance or annuity contracts shall make written application to
26 the superintendent for permission to do so. If after due consideration
27 the superintendent is satisfied that the proposed reinsurance will not
28 prejudice the interests of the policyholders of either the applicant or
29 the companies [which] that are members of The Life Insurance Guaranty
30 Corporation or of The Life and Health Insurance Company Guaranty Corpo-
31 ration of New York, [he] the superintendent shall grant the permission.

32 § 2. Paragraph 1 of subsection (a) of section 7434 of the insurance
33 law, as amended by chapter 134 of the laws of 1999, is amended to read
34 as follows:

35 (1) Upon the recommendation of the superintendent, and under the
36 direction of the court, distribution payments shall be made in a manner
37 that will assure the proper recognition of priorities and a reasonable
38 balance between the expeditious completion of the liquidation and the
39 protection of unliquidated and undetermined claims. The priority of
40 distribution of claims from an insolvent [property/casualty] insurer
41 other than a life insurer in any proceeding subject to this article
42 shall be in accordance with the order in which each class of claims is

1 set forth in this paragraph and as provided in this paragraph. Every
2 claim in each class shall be paid in full or adequate funds retained for
3 such payment before the members of the next class receive any payment.
4 No subclasses shall be established within any class. No claim by a
5 shareholder, policyholder or other creditor shall be permitted to
6 circumvent the priority classes through the use of equitable remedies.
7 The order of distribution of claims shall be:

8 [(i)] (A) Class one. Claims with respect to the actual and necessary
9 costs and expenses of administration, incurred by the liquidator, reha-
10 bilitator or conservator under this article.

11 [(ii)] (B) Class two. All claims under policies including such claims
12 of the federal or any state or local government for losses incurred,
13 third party claims, claims for unearned premiums, and all claims of a
14 security fund, guaranty association or the equivalent except claims
15 arising under reinsurance contracts.

16 [(iii)] (C) Class three. Claims of the federal government except those
17 under class two above.

18 [(iv)] (D) Class four. Claims for wages owing to employees of an
19 insurer against whom a proceeding under this article is commenced for
20 services rendered within one year before commencement of the proceeding,
21 not exceeding one thousand two hundred dollars to each employee, and
22 claims for unemployment insurance contributions required by article
23 eighteen of the labor law. Such priority shall be in lieu of any other
24 similar priority which may be authorized by law.

25 [(v)] (E) Class five. Claims of state and local governments except
26 those under class two above.

27 [(vi)] (F) Class six. Claims of general creditors including, but not
28 limited to, claims arising under reinsurance contracts.

29 [(vii)] (G) Class seven. Claims filed late or any other claims other
30 than claims under class eight or class nine below.

31 [(viii)] (H) Class eight. Claims for advanced or borrowed funds made
32 pursuant to section one thousand three hundred seven of this chapter.

33 [(ix)] (I) Class nine. Claims of shareholders or other owners in their
34 capacity as shareholders.

35 § 3. Paragraphs 1 and 4 of subsection (a) of section 7435 of the
36 insurance law, as added by chapter 802 of the laws of 1985, are amended
37 to read as follows:

38 (1) Class one. Claims with respect to the actual and necessary costs
39 and expenses of administration, incurred by the liquidator, rehabilita-
40 tor, conservator or ancillary rehabilitator under this article, or by
41 The Life Insurance Guaranty Corporation or The Life and Health Insurance
42 Company Guaranty Corporation of New York, and claims described in
43 subsection (d) of section seven thousand seven hundred thirteen of this
44 chapter.

45 (4) Class four. All claims under insurance policies, annuity contracts
46 and funding agreements, and all claims of The Life and Health Insurance
47 Company Guaranty Corporation of New York or any other guaranty corpo-
48 ration or association of this state or another jurisdiction, other than
49 [(i)] claims provided for in paragraph one of this subsection[,] and
50 [(ii)] claims for interest.

51 § 4. Paragraph 2 of subsection (c) of section 7709 of the insurance
52 law, as amended by section 10 of subpart D of part Y of chapter 57 of
53 the laws of 2023, is amended to read as follows:

54 (2) The amount of any class B or class C assessment, except for
55 assessments related to long-term care insurance, shall be allocated for
56 assessment purposes among the accounts in the proportion that the premi-

1 ums received by the impaired or insolvent insurer on the policies or
2 contracts covered by each account for the last calendar year preceding
3 the assessment in which the impaired or insolvent insurer received
4 premiums bears to the premiums received by such insurer for such calen-
5 dar year on all covered policies. The amount of any class B or class C
6 assessment for long-term care insurance written by the impaired or
7 insolvent insurer shall be allocated according to a methodology included
8 in the plan of operation and approved by the superintendent. The meth-
9 odology shall provide for fifty percent of the assessment to be allo-
10 cated to health insurance company member insurers and fifty percent to
11 be allocated to life insurance company member insurers; provided, howev-
12 er, that a property/casualty insurer that writes health insurance shall
13 be considered a health insurance company member for this purpose. Class
14 B and class C assessments against member insurers for each account shall
15 be in the proportion that the premiums received on business in this
16 state by each assessed member insurer on policies covered by each
17 account for the three calendar years preceding the assessment bears to
18 such premiums received on business in this state for such calendar years
19 by all assessed member insurers. Class B and Class C assessments
20 against member insurers for the health insurance account shall be
21 further reduced for not-for-profit member insurers pursuant to a method-
22 ology included in the plan of operation and approved by the superinten-
23 dent. Such methodology shall reduce the assessments imposed on not-for-
24 profit member insurers in an amount that, when accounting for
25 appropriate factors, including the value of the tax credits and a factor
26 for the time value of money, results in a percentage of net assessments
27 to premiums that is equivalent for not-for-profit member insurers and
28 for-profit member insurers.

29 § 5. Section 7712 of the insurance law, as added by chapter 802 of the
30 laws of 1985, subsection (a) as amended by section 11 of subpart D of
31 part Y of chapter 57 of the laws of 2023, is amended to read as follows:
32 § 7712. Credits for assessments paid. (a) The superintendent shall
33 annually[, within six months following the close of each calendar year,
34 furnish to the commissioner of taxation and finance and the director of
35 the division of the budget a statement of operations for the life insur-
36 ance guaranty corporation and the life and health insurance company
37 guaranty corporation of New York. Such statement shall show the assess-
38 ments, less any refunds or reimbursements thereof, paid by each insur-
39 ance company pursuant to the provisions of article seventy-five or]
40 issue a certificate of tax credit for net class A assessments paid, and
41 a separate certificate of tax credit for total net class B and class C
42 assessments paid, as such assessments are described in section seven
43 thousand seven hundred nine of this article, [for the purposes of meet-
44 ing the requirements of this chapter. Each statement, starting with the
45 statement furnished in the year nineteen hundred eighty-six and ending
46 with the statement furnished in the year two thousand, shall show the
47 annual activity for every year commencing from nineteen hundred eighty-
48 five through the most recently completed year. Each statement furnished
49 in each year after the year two thousand shall reflect such assessments
50 paid during the preceding fifteen calendar years. The superintendent
51 shall also furnish a copy of such statement to each such] to an insur-
52 ance company that is required to file a tax return pursuant to article
53 thirty-three of the tax law. The superintendent shall issue such
54 certificates by March thirty-first of the year following the year in
55 which the class A, B, and C assessments are paid or to which they are
56 allocated pursuant to the provisions of subsection (c) of this section.



1 For the purposes of this section, an insurance company's "net class A
2 assessments paid" shall mean its gross class A assessments paid pursuant
3 to the provisions of article seventy-five or section seven thousand
4 seven hundred nine of this article, less any refunds, recoveries, or
5 reimbursements, and an insurance company's "total net class B and class
6 C assessments paid" shall mean its gross class B and class C assessments
7 paid pursuant to the provisions of article seventy-five or section seven
8 thousand seven hundred nine of this article, less any refunds, recov-
9 eries, or reimbursements.

10 (b) The [maximum authorized] certificates of tax credit [for each
11 company in respect of the assessments paid during the most recent calen-
12 dar year covered by such statement] shall [be] set forth the amount of
13 tax credit an insurance company may claim as follows:

14 (1) [if the sum of the net assessments paid by all companies in the
15 period reported on in the statement of operations required to be
16 furnished by the superintendent pursuant to the provisions of subsection
17 (a) of this section is less than one hundred million dollars, no such
18 credits shall be authorized] for net class A assessments, the eligible
19 credit amount shall be equal to the product of eighty per centum and the
20 company's net class A assessments paid; and

21 (2) [(A) if the sum of such net assessments exceeds one hundred
22 million dollars, the maximum authorized credit for each company with
23 respect to net assessments paid by such company in any year shall be the
24 excess, if any, of (i) over (ii), where (i) is the sum of such company's
25 tentative cross-over year credit and its tentative credits for subse-
26 quent years, both as determined pursuant to subparagraphs (B) and (C) of
27 this paragraph, and (ii) is the sum of the maximum credits theretofore
28 authorized for the years covered by such statement, to and including the
29 most recently completed year, determined with reference to the periods
30 covered by all prior such statements.

31 (B) Such company's tentative cross-over year credit shall be eighty
32 per centum of the product of (i) and (ii), where (i) is the sum of
33 assessments paid by such company during the cross-over year, and (ii) is
34 a fraction, the numerator of which is the excess over one hundred
35 million dollars of the sum of net assessments paid by all companies
36 during such period and the denominator of which is the sum of net
37 assessments paid by such companies during the cross-over year. For
38 purposes of this paragraph, the cross-over year is the first year during
39 the period covered by such statement in which the net assessments paid
40 by all companies during such period exceeded one hundred million dollars
41 in whole or in part.

42 (C) Such company's tentative credit for each year subsequent to the
43 cross-over year shall be eighty per centum of the net assessments paid
44 by such company during such year.

45 (3) For the purposes of this section, net assessments means gross
46 assessments, less any recoveries or reimbursements, paid during the
47 period covered by the most recent statement of operations furnished by
48 the superintendent pursuant to the provisions of subsection (a) of this
49 section] for total net class B and class C assessments, the eligible
50 credit amount shall be equal to the product of eighty per centum and the
51 company's total net class B and class C assessments paid, subject to
52 subsection (c) of this section.

53 (c) (1) The aggregate amount of tax credits pursuant to this section
54 for total net class B and class C assessments in each calendar year
55 shall not exceed one hundred fifty million dollars. The aggregate tax
56 credit amount shall be allocated annually by the superintendent on a pro

1 rata basis to each company required to file a tax return pursuant to
2 article thirty-three of the tax law.

3 (2) The superintendent shall allocate any tax credit amount that
4 exceeds the annual credit cap of one hundred fifty million dollars to
5 the following calendar year and include such amount within the calcu-
6 lation of the eligible credit amount subject to the aggregate credit
7 amount for the succeeding calendar year by the superintendent.

8 (3) For companies issued a certificate of tax credit for total net
9 class B and class C assessments, such annual certificate shall set forth
10 an amount equal to thirty-three and one-third per centum of the amount
11 calculated under subsection (b) of this section and allocated pursuant
12 to paragraph one of this subsection. The amount on the certificate of
13 tax credit shall be eligible to be claimed in the taxable year that
14 begins in the calendar year that such certificate is issued. Thirty-
15 three and one-third per centum of such amount shall be eligible to be
16 claimed in each of the two taxable years following such taxable year.

17 (d) (1) The superintendent shall, in consultation with the commissioner
18 of taxation and finance, develop a certificate of tax credit for net
19 class A assessments, and a certificate of tax credit for total net class
20 B and class C assessments. Each certificate shall contain such informa-
21 tion as required by the commissioner of taxation and finance, including
22 a certificate date.

23 (2) The superintendent shall solely determine the tax credit eligibil-
24 ity of any insurance company and shall revoke any certificate of tax
25 credit issued to an insurance company that no longer qualifies for a tax
26 credit. The superintendent shall modify the amount of the credit shown
27 on any such certificate if the superintendent determines that the amount
28 certified under subsection (b) of this section was not computed properly
29 pursuant to this section.

30 (3) To be issued a certificate of tax credit by the superintendent,
31 each insurance company shall:

32 (A) agree to allow the department of taxation and finance to share the
33 insurance company's tax information relevant to the administration of
34 this section with the superintendent. However, any information shared
35 with the superintendent as a result of this section shall not be avail-
36 able for public disclosure or inspection under article six of the public
37 officers law;

38 (B) allow the superintendent and the corporation access to any and all
39 books and records the superintendent or corporation may require to moni-
40 tor compliance with this section; and

41 (C) agree to provide any additional information required by the super-
42 intendent relevant to this section.

43 § 6. Subdivision (f) of section 1511 of the tax law, as amended by
44 chapter 803 of the laws of 1985, paragraph 1 as amended by chapter 217
45 of the laws 2012, subparagraph (B) of paragraph 3 as further amended by
46 section 104 of part A of chapter 62 of the laws of 2011 and paragraph 5
47 as amended by section 9 of part H3 of chapter 62 of the laws of 2003, is
48 amended to read as follows:

49 (f) Credit relating to life and health insurance guaranty corporation
50 assessments. [A] (1) Allowance of credit. For taxable years beginning
51 on or after January first, two thousand twenty-four, a credit shall be
52 allowed against the tax imposed pursuant to this article (other than
53 section fifteen hundred five-a of this article)[, for a portion of the
54 assessments paid by a taxpayer pursuant to article seventy-five or
55 section seven thousand seven hundred nine of the insurance law. The

1 credit shall be determined in accordance with the following provisions]
2 as hereinafter provided.

3 [(1)] (2) Amount of credit. The [maximum authorized] amount of the
4 credit for each taxpayer shall [be determined as provided in] equal the
5 amount shown on the certificate of tax credit, or the amounts shown on
6 such certificates, issued to such taxpayer pursuant to section seven
7 thousand seven hundred twelve of the insurance law. With respect to
8 each such certificate, the amount of the credit must be claimed in the
9 taxable year that begins in the calendar year that such certificate is
10 issued.

11 [(2) Thirty-three and one-third per centum of the maximum authorized
12 credit for the second calendar year preceding the taxable year, plus any
13 amount carried forward under subparagraph (C) of paragraph three of this
14 subdivision or paragraph four of this subdivision, shall be allowed as a
15 credit under this subdivision for such taxable year, and thirty-three
16 and one third per centum of such maximum authorized credit for such
17 second preceding calendar year, plus any amount carried forward under
18 subparagraph (C) of this subdivision or paragraph four of this subdivi-
19 sion, shall be allowed in each of the two taxable years following such
20 taxable year.]

21 (3) [(A) For each calendar year for which a credit has been authorized
22 pursuant to section seven thousand seven hundred twelve of the insurance
23 law, the commissioner of taxation and finance shall determine the total
24 tax liability of all life insurance corporations under this article,
25 other than under section fifteen hundred five-a of this article, before
26 the application of any credits allowed pursuant to this section, for
27 taxable years beginning in such calendar year. Such total tax liability
28 shall be published in the state register on or before the thirtieth day
29 of September of the next succeeding calendar year.

30 (B) The credit allowed under paragraph two of this subdivision for
31 each taxpayer shall not exceed the product of (x) and (y) where (x) is a
32 fraction, the numerator of which is the sum of the gross assessments
33 paid by the particular taxpayer during the calendar year for which the
34 credit has been authorized and the denominator of which is the sum of
35 the gross assessments paid by all companies during such year, both as
36 shown in the most recent statement of operations furnished by the super-
37 intendent of financial services under subsection (a) of section seven
38 thousand seven hundred twelve of the insurance law and both the numera-
39 tor and denominator being reduced, as appropriate, by any refunds or
40 reimbursements and (y) is the greater of (i) forty per centum of the
41 total tax liability published by the commissioner pursuant to subpara-
42 graph (A) of this paragraph and (ii) forty million dollars.

43 (C) The amount by which the allowable credit computed without refer-
44 ence to the limitation contained in subparagraph (B) of this paragraph
45 exceeds the allowable credit for such taxable year shall be carried
46 forward as a credit under paragraph two of this subdivision.

47 (D) With respect to estimated taxes payable under section fifteen
48 hundred fourteen of this article any increase in estimated taxes due to
49 the limitation imposed by this paragraph shall be deemed timely paid if
50 paid on or before the fifteenth day of December next following the date
51 specified in subparagraph (A) of this paragraph.] Carryover. The credit
52 allowed under this subdivision for any taxable year shall not reduce the
53 tax due for such year to less than the minimum fixed by paragraph four
54 of subdivision (a) of section fifteen hundred two of this article or
55 section fifteen hundred two-a of this article, whichever is applicable.
56 However, if the amount of credit allowable under this subdivision for

1 any taxable year reduces the tax to such amount, any amount of credit
2 not deductible in such taxable year may be carried over to the following
3 year or years and may be deducted from the taxpayer's tax for such year
4 or years.

5 (4) [If for any taxable year the credits allowable under paragraph two
6 of this subdivision determined without regard to this paragraph exceed
7 the taxpayer's liability for taxes under this article for the taxable
8 year after the allowance of all other credits under this section, then
9 the sum of two hundred fifty dollars and the amount by which such cred-
10 its under this subdivision exceed such tax liability shall be carried
11 forward as a credit under paragraph two of this subdivision for the
12 taxable year next following.] Eligibility. To be eligible for the cred-
13 it, the taxpayer shall have been issued a certificate, or certificates,
14 of tax credit by the department of financial services pursuant to
15 section seven thousand seven hundred twelve of the insurance law, each
16 of which certificates shall set forth the amount of the credit that may
17 be claimed and the certificate date. A taxpayer that is a partner in a
18 partnership, member of a limited liability company or shareholder in a
19 subchapter S corporation that has received a certificate, or certif-
20 icates, of tax credit shall be allowed its pro rata share of the credit
21 earned by the partnership, limited liability company or subchapter S
22 corporation.

23 (5) [No credit allowed pursuant to this subdivision shall reduce the
24 tax payable by any taxpayer under this article for any taxable year to
25 an amount less than the minimum tax fixed by paragraph four of subdivi-
26 sion (a) of section fifteen hundred two of this article or section
27 fifteen hundred two-a of this article, whichever is applicable.] Tax
28 return requirement. The taxpayer is required to include with its tax
29 return in the form prescribed by the commissioner, proof of receipt of
30 its certificate, or certificates, of tax credit issued by the department
31 of financial services.

32 (6) Information sharing. Notwithstanding any provision of this chap-
33 ter, employees of the department of financial services and the depart-
34 ment shall be allowed and are directed to share and exchange:

35 (A) information regarding the credit allowed or claimed pursuant to
36 this subdivision and taxpayers that are claiming the credit; and

37 (B) information contained in or derived from credit claim forms
38 submitted to the department. All information exchanged between the
39 department of financial services and the department shall not be subject
40 to public disclosure or inspection under article six of the public offi-
41 cers law.

42 (7) Credit recapture. If a certificate of tax credit issued by the
43 department of financial services under section seven thousand seven
44 hundred twelve of the insurance law is revoked by such department, the
45 amount of credit described in this subdivision and claimed by the
46 taxpayer prior to such revocation shall be added back to tax in the
47 taxable year in which any such revocation becomes final. If an amount of
48 credit on any such certificate of tax credit is modified by the depart-
49 ment of financial services, the difference between the amount of credit
50 described in this subdivision and claimed by the taxpayer prior to such
51 modification and the modified amount shall be added back to tax in the
52 taxable year in which any such modification becomes final.

53 (8) Net assessments. No amount of any net assessments paid by such
54 taxpayer included as the basis for the calculation of the amount shown
55 on any such certificate shall be the basis for any other tax credit
56 under this chapter.

1 § 7. Notwithstanding the provisions of sections one through six of
2 this act, in 2024, for the calendar year 2023, the superintendent of
3 financial services shall furnish the statement of operations for the
4 life insurance guaranty corporation and the life and health insurance
5 company guaranty corporation of New York as provided in subsection (a)
6 of section 7712 of the insurance law, as such provision of law was in
7 effect immediately prior to the effective date of this act.

8 § 8. Notwithstanding the provisions of sections one through seven of
9 this act, an insurance company allowed a tax credit pursuant to section
10 7712 of the insurance law and subdivision (f) of section 1511 of the tax
11 law, as such provisions of law were in effect immediately prior to the
12 effective date of this act, shall continue to be allowed the credit
13 relating to life insurance guaranty corporation assessments under such
14 subdivision (f), for assessments paid on or before December 31, 2023, as
15 follows:

16 (i) any amount of such credit that has not been claimed in a taxable
17 year beginning before January 1, 2024 shall be allowed as a credit
18 against the tax imposed pursuant to article 33 of the tax law, other
19 than section 1505-a of such article, in the taxable year beginning on or
20 after such date; and

21 (ii) any amount of credit allowed pursuant to the previous paragraph
22 shall be subject to the carryover provision of paragraph 3 of subdivi-
23 sion (f) of section 1511 of the tax law, as such subdivision has been
24 amended by section six of this act.

25 § 9. This act shall take effect immediately and shall apply to taxable
26 years beginning on or after January 1, 2024.

27 PART MM

28 Section 1. Short title. This act shall be known and may be cited as
29 the "artificial intelligence deceptive practices act".

30 § 2. This act enacts into law major components of legislation neces-
31 sary to implement the artificial intelligence deceptive practices act.
32 Each component is wholly contained within a Subpart identified as
33 Subparts A through B. The effective date for each particular provision
34 contained within such Subpart is set forth in the last section of such
35 Subpart. Any provision in any section contained within a Subpart,
36 including the effective date of the Subpart, which makes a reference to
37 a section "of this act", when used in connection with that particular
38 component, shall be deemed to mean and refer to the corresponding
39 section of the Subpart in which it is found. Section four of this act
40 sets forth the general effective date of this act.

41 SUBPART A

42 Section 1. Section 50 of the civil rights law is amended to read as
43 follows:

44 § 50. Right of privacy. A person, firm or corporation that uses for
45 advertising purposes, or for the purposes of trade, the name, portrait
46 [or], picture, likeness, or voice of any living person without having
47 first obtained the written consent of such person, or if a minor of [his
48 or her] such minor's parent or guardian, is guilty of a misdemeanor.

49 § 2. Section 51 of the civil rights law, as amended by chapter 674 of
50 the laws of 1995, is amended to read as follows:

51 § 51. Action for injunction and for damages. Any person whose name,
52 portrait, picture, likeness or voice is used within this state for