



## Property and Casualty Legislative Action Day | May 13, 2026

### Priority Objective

# Ensure the Viability of the Property and Casualty Insurance Market

Property and casualty insurance markets in parts of the country are in crisis, and while New York has not yet reached that point, the current trajectory is concerning. States making meaningful progress to improve market conditions are addressing core cost drivers. This is a critical moment for New York to strengthen its market—not take actions that further restrict it. Insurance carriers continue to face significant challenges related to sustainability and their ability to effectively assess and manage risk in the state.

Affordability is a genuine concern for policyholders, but affordability cannot exist without availability. A healthy, competitive market—where insurers are able to write business—is the foundation for affordable coverage. When insurance is readily available and competition is strong, New Yorkers benefit from greater choice and more competitive pricing.

It is essential that the Legislature avoid policies that would further limit insurance availability or increase costs. Restrictions on underwriting—such as prohibiting the use of legitimate risk factors—undermine insurers' ability to accurately price risk and ultimately drive higher costs for consumers. Likewise, mandates requiring insurers to write certain policies increase overall risk exposure and can lead to higher premiums. If risk becomes unmanageable, carriers may be forced to reevaluate their participation in the state.

The property and casualty insurance industry supports constructive reforms that target availability and affordability—combating fraud, curbing litigation abuse, and modernizing insurance laws to better align with today's risks and consumer needs and expectations. These pieces are critical to reducing underlying system costs, improving risk management and customer experience, which in turn helps ensure that coverage remains both widely available and more affordable for New Yorkers.

A stable and viable insurance market delivers more choices and more affordable coverage for New Yorkers. Insurance must be available first—only then can it be truly affordable.



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# Key Areas for Change to Ensure the Viability of the Property and Casualty Insurance Market

### ***Combating Fraud***

Insurance fraud adds hundreds of millions of dollars to premiums in New York. Laws and regulations need to be strengthened to curb bad actors and organized crime rings from exploiting the insurance system for personal gain. Moreover, New York must enhance its fraud reporting mechanisms to keep pace with evolving criminal activity.

### ***Reining in Litigation Abuse***

New York's explosive and unrestrained litigation environment has fueled premium increases and made the costs of living more expensive for policyholders. Frivolous and exaggerated lawsuits must be contained to control insurance costs and maintain availability. The insurance industry urges the Legislature to oppose legislation that could expand litigation and legal system abuse and instead support meaningful lawsuit reform.

### ***Advancing Modernization***

Many of New York's current statutes and regulations were enacted before the capabilities of the internet and modern technology. In many cases, the law requires carriers and policyholders to maintain antiquated systems and engage in outdated and unwieldy processes. These mechanisms can be replaced with modern innovations to streamline operations and make coverage more accessible.



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### Combating Fraud

Insurance fraud remains a persistent and costly challenge in New York, affecting not only insurers but also honest policyholders who ultimately bear the financial burden through higher premiums and reduced trust in the system. From staged accidents and inflated claims to complex provider billing schemes to unscrupulous contractors, fraudulent activity distorts the marketplace and diverts resources away from legitimate needs. Addressing this issue requires a coordinated approach that strengthens oversight, holds bad actors accountable, and most importantly protects consumers and ethical businesses. There are a number of legislative proposals aimed at curbing fraud and reinforcing integrity across the insurance system. Below are several that we urge you to support, to tackle fraud and ultimately make insurance more affordable.

- Criminalizing acting as a runner: A7392 (Pretlow)/S4874 (Fahy)
- Prohibiting staging an accident: A3851 (Weprin)/S5232 (Comrie); Executive Budget PPGG, Part F
- Limiting excessive towing and storage fees: A8858 (Romero)/S7717 (Cooney)
- Allowing carriers to retroactively cancel policies that were purchased fraudulently: A7322 (Pretlow)/S5052 (Bailey)
- Providing carriers additional time to investigate claims for fraud: S5353 (Comrie); Executive Budget TED, Part FF
- Prohibiting vehicle security circumvention devices: A8867 (Magnarelli)/S8883 (Cooney)
- Criminalizing staging a construction accident: A3800 (Weprin)/S5231 (Bailey)
- Prohibiting agreements by rehabilitation contractors in a fraudulent manner: A10176 (Weprin)/S9368 (Bailey)
- Implementing fraud reporting through the National Insurance Crime Bureau's (NICB) Fraud Bureau Reporting Program (FBRP) – National Association of Insurance Commissioners (NAIC) Online Fraud Reporting System (OFRS) partnership



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### Reining in Litigation Abuse

Excessive litigation and lawsuit abuse has become a growing concern in New York, driving up costs for businesses, insurers, and consumers, while straining the efficiency and fairness of the legal system. Frivolous claims, excessive damages, and procedural tactics that prolong litigation can distort outcomes and create incentives that benefit a small number of bad actors rather than those with legitimate grievances. Addressing this issue requires balanced reforms that preserve access to justice while discouraging misuse of the courts and promoting transparency and accountability throughout the legal process. Below are several we urge you to support to promote a fair and balanced insurance marketplace, as well as those we oppose.

- Disclosing third party litigation funding agreements during the discovery process: A7599 (Septimo)
- Reducing the interest rate on court judgements to the prevailing market rate: Executive Budget PPGG, Part DD
- Tightening the serious injury threshold for auto crashes: Executive Budget TED, Part EE
- Bifurcating personal injury trials to standardize across New York State: Executive Budget TED, Part EE
- Adopting a modified comparative negligence standard for automobile accident cases: Executive Budget TED, Part EE
- Moving to several liability standard for non-economic damages in auto accident cases: Executive Budget TED, Part EE

#### Opposed:

- Expanding private right of action for bad faith claim practices or wrongful death actions: A6010A (Hooks)/S166A (Ramos); A5287 (Lasher)/S105 (Comrie); A7102 (Bichotte-Hermelyn)/S3673 (Comrie); S10171 (Cleare)
- Increasing litigation exposure: A11203 (Lavine)/S10035 (Sepulveda)



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### Advancing Modernization

Modernizing underwriting and policy management is essential to ensuring New York's insurance marketplace remains efficient, competitive, and responsive to today's risks and consumer needs. Outdated processes and regulatory constraints can slow innovation, limit the use of more accurate data and technology, and create unnecessary friction for both insurers and policyholders. By streamlining policy administration, and improving digital access and transparency, modernization efforts can enhance risk assessment, reduce costs, and enhance the overall customer experience. Below are several modernization initiatives we urge you to support.

- Permitting DFS to hire outside consultants to expedite filings: A4259A (Weprin)/S5321 (Bailey)
- Allowing an insurer to reflect individual risk characteristics of an employer in their rating plan: A9369 (Berger)
- Empowering mutual insurers to reorganize as mutual holding companies: A3710 (Weprin)/S5305 (Bailey)
- Encouraging the resilient construction of retrofitting buildings to withstand storms: A5874 (Hunter)/S7265 (Bailey)
- Allowing electronic delivery of auto notices: A114 (Berger)/S3352 (Sanders)
- Authorizing electronic delivery for workers compensation notices: A2211 (Berger)/S10213 (Ramos)
- Implementing safety requirements for ATVs, UTVs, and ROVs