



Testimony before the
New York Senate Committee on Finance
And New York Assembly Committee on Ways and Means

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Joint Legislative Public Hearing on 2026 Executive Budget Proposal

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The New York Insurance Association (NYIA) is the state trade association that has represented the property and casualty insurance industry in New York for more than 140 years. NYIA's membership is broad and diverse, consisting of stock, mutual and cooperative insurance companies, from Main Street to Wall Street, providing protection for policyholders across New York State. The association's members write both personal and commercial lines of insurance, including auto, homeowners, renters, comprehensive coverage for businesses, workers compensation and professional liability insurance. NYIA's mission is to promote a healthy and sustainable property and casualty insurance market for all of New York.

Thank you for the opportunity to address you regarding the 2026 executive budget proposals. New York's property and casualty insurance companies remain committed to providing the most affordable coverage possible. Affordability, however, is directly tied to the overall health of the insurance market. As market pressures grow, addressing these foundational challenges is essential to restoring long-term availability and affordability. ***The only way to make insurance more affordable is to make it more available.*** Restricting capacity or imposing artificial constraints will not reduce premiums; instead, it will limit how much risks insurers can manage. Other states offer cautionary examples where misaligned policy decisions resulted in market instability, insurer insolvencies, and availability crises. New York can avoid similar outcomes by confronting root causes rather than treating symptoms.

NYIA strongly supports the Governor's proposals to combat fraud, abuse, and excessive litigation—issues that significantly increase loss exposure and undermine market stability. These practices impose broad consequences for consumers including higher premiums, increased roadway safety risks, reduced quality of healthcare services, and financial strain on New York families. Importantly, these pressures extend beyond auto insurance and impact all forms of

liability coverage. Appendix A highlights several cases that demonstrate the pervasive and serious nature of these issues and why fraud, abuse, and excessive litigation must be confronted.

NYIA is strongly supportive of the auto insurance proposals in the Executive Budget. These initiatives will target fraud, abuse, and excessive litigation, and will correspondingly reduce risk exposure and thereby limit losses. Appendix B provides additional information on these proposals and why they are crucial in combatting combat fraud, abuse, and excessive litigation. As is provided in that document, our membership is specifically encouraged by the following proposals:

- Including staged motor vehicle crashes in the definition of insurance fraud and lowering the threshold for all types of insurance fraud, as provided in PPGG Part F;
- Clarifying the definition of serious injury for no-fault claims and limiting non-economic damages for those determined to be at-fault, as considered in TED Part E.
- Extending the timeframe for insurers to investigate suspected fraudulent auto claims from 30 to 60 days, as provided in TED Part FF;

More broadly, NYIA supports modernizing the interest rate on court judgements by moving from a fixed nine percent rate to a variable market-based rate, as provided in PPGG Part D. This proposal would ensure the interest rate always appropriately corresponds with the economy. Collectively, these reforms would address key cost drivers across the property and casualty market and will help prevent unnecessary premium increases.

NYIA also urges the Governor and Legislature to consider the primary cost drivers in the property market to ensure that more policies are available and in turn affordable. In addition to addressing fraud, abuse and litigation, we strongly urge our state's policymakers to encourage resiliency and loss mitigation efforts, modernize the regulatory environment, increase regulatory

capacity, combat fraud, and address expansive and abusive litigation, as referenced in Appendix C. These solutions will not only promote affordability but also provide for market stability in all lines of insurance.

NYIA further strongly cautions against proposals that impose limitations on the market, versus addressing the underlying cost drivers of insurance. We are strongly opposed to TED Part CC, which would authorize the Department of Financial Services (DFS) to establish a homeowners loss ratio benchmark. Insurers must have the full ability to pay claims following severe weather and catastrophic events. The property and casualty market is inherently cyclical due to the unpredictability of catastrophes, and snap shots of loss ratios cannot be evaluated meaningfully, particularly over a narrow two-year window.

It is also important to recognize that New York has the highest estimated insured coastal exposure in the country—even exceeding Florida and Texas—particularly due to the properties in New York City and Long Island. There is additional exposure along the Great Lakes coast, in upstate and western New York, as well. In recent years, New York has also experienced intense localized, straight-line wind and storm events that further increase catastrophe losses and illustrate volatility in property losses. This reality, inherent in our diverse geographic state, demands careful consideration, as insurance companies make their preparation for a wide range of extreme weather.

NYIA also encourages caution in advancing proposals requiring insurers to provide premium discounts without first seeing a meaningful reduction in loss. Actuarially appropriate discounts require meaningful loss experience to accurately determine the risk-mitigation value of new technologies and resiliency measures. Without adequate actuarial experience and data, mandated discounts may unintentionally undermine rate adequacy. It is more helpful for

insurance companies to optionally develop discounts that they have found to be actuarially appropriate. For example, TED Part DD references roof construction techniques that may better withstand storms, but does not specifically include FORTIFIED roof standards, which have proven, measurable loss-mitigation benefits and are already recognized in other parts of the country. NYIA and its members strongly support the FORTIFIED standard and encourage more discussion on how it can be used in New York.

Additionally, TED Part II would mandate premium discounts for installing and operating a dashcam, despite the lack of a reliable method for insurers to verify the continuous and proper operation or data retention, as compared with discountable telematics programs or built-in anti-theft and anti-lock brake systems. While NYIA supports mitigation efforts, mandating discounts for unverified or unproven tools could distort risk-based pricing, increase administrative burdens, and not provide meaningful results to policyholders.

Similarly, the proposal requiring insurers to provide explanations for premium increases, TED Part BB, imposes administrative burdens and may not easily be automated through systems. These additional compliance requirements would ultimately drive-up operational costs.

NYIA also encourages reconsideration of the proposal requiring multi-family property carriers to report premiums collected and claims paid annually to DFS, as written in TED Part GG. As with other new reporting mandates, this requirement will increase administrative burden while providing an impartial picture of relevant data. We are also concerned about protecting the sensitive information that relates to this proposal.

In conclusion, NYIA commends the Governor for proposing meaningful measures to combat fraud, reduce unnecessary litigation, and address rising costs in the auto insurance markets.

Appendix D outlines all Executive Budget proposals affecting property and casualty insurance and NYIA's positions. NYIA looks forward to working with public policymakers to promote the availability of insurance, which will have a positive effect on the affordability of insurance. There are many solutions that have been offered over the years, including by the insurance industry, and we welcome the opportunity to have productive conversations about legislation and other initiatives to properly manage cost drivers in the system. Addressing these cost drivers will enable companies to take on more risk as well as ultimately decrease insurance losses, and as a result, costs.

NYIA values the opportunity to share our viewpoint on behalf of our members and appreciates your consideration of the recommendations we have offered to improve the marketplace. The focus needs to be on keeping the market solvent, reliable, and stable, to encourage greater availability and in turn greater affordability. Thank you for the opportunity to submit this testimony.

APPENDIX A

Summary of NY Fraud Cases

Category: Vehicle Insurance Fraud

Description: No Fault Fraud Scheme reportedly worth \$100 Million.

This scheme involved two waves of investigations - first on the alleged runner level involving a call center (Rose, Wray, and over 20 others) and a second wave with those who were allegedly higher up in the scheme (Gulkarov, Khaimov, Israilov, Pierre).

Links:

<https://www.justice.gov/usao-sdny/pr/us-attorney-announces-arrest-27-individuals-including-nypd-employees-massive-bribery>

<https://www.justice.gov/usao-sdny/pr/senior-leader-massive-no-fault-automobile-insurance-bribery-scheme-sentenced-7-years>

<https://www.justice.gov/usao-sdny/pr/us-attorney-announces-arrest-13-individuals-100-million-healthcare-fraud-money>

<https://www.justice.gov/usao-sdny/pr/leaders-one-largest-no-fault-insurance-frauds-new-york-history-sentenced-15-12-and>

<https://www.justice.gov/usao-sdny/pr/new-jersey-man-sentenced-10-years-prison-leading-one-largest-no-fault-insurance-frauds>

Category: Vehicle Insurance Fraud

Description: Belt Parkway Dashcam Video

Two rounds of charges in this case first in November 2024 and another in July 2025. Both related to viral video of a vehicle appearing to back up into a woman driving on the Belt Parkway.

Links:

https://queensda.org/wp-content/uploads/2024/11/staged_accident_11_08_2024_arr.pdf

<https://queensda.org/two-men-charged-with-staging-car-crashes-on-new-york-city-highways/>

Category: Vehicle Insurance Fraud

Description: Maxo Jean's 2014 conviction for charges related to alleged caused losses targeting innocent vehicles. Scheme involved 30 losses reportedly worth over \$1 Million in total.

Links:

<https://www.justice.gov/usao-sdny/pr/long-island-man-found-guilty-manhattan-federal-court-scheme-defraud-insurance-companies>

<https://www.fbi.gov/contact-us/field-offices/newyork/news/press-releases/long-island-man-sentenced-in-manhattan-federal-court-to-10-years-in-prison-for-insurance-scam-in-which-he-caused-dozens-of-intentional-car-crashes>

Category: Vehicle Insurance Fraud

Description: NYC Tow Company Monopoly

The defendants allegedly worked in concert to maintain a violent monopoly on the city's towing industry. Over 15 individuals were indicated along with 10 businesses.

Links:

<https://www.nyc.gov/assets/doi/press-releases/2018/feb/22118TowTrucksSCARelease.pdf>

Category: Commercial Liability Insurance Fraud

Description: Slip and Fall ring worth over \$30 Million involving the alleged recruitment of impoverished parties to stage losses and participate in surgical procedures.

First round of arrests was on the alleged runner level see first link below. The rest of the links are the second round involving charges against a litigation funding company owner, medical providers and injury attorneys.

Links:

<https://www.justice.gov/usao-sdny/pr/three-members-trip-and-fall-scheme-sentenced-prison-317-million-scheme-defraud-new-york>

<https://www.justice.gov/usao-sdny/pr/new-york-litigation-funder-and-fifth-member-31-million-dollar-trip-and-fall-fraud>

<https://www.justice.gov/usao-sdny/pr/new-york-lawyer-pleads-guilty-participating-trip-and-fall-fraud-scheme>

<https://www.justice.gov/usao-sdny/pr/new-york-doctor-who-performed-unnecessary-back-surgeries-pleads-guilty-participating>

<https://www.justice.gov/usao-sdny/pr/new-york-attorney-and-doctor-convicted-defrauding-new-york-city-area-businesses-and>

<https://www.justice.gov/usao-sdny/pr/new-york-lawyers-and-doctor-sentenced-defrauding-new-york-city-area-businesses-and>

Category: Property Insurance Fraud

Description: Alleged gang member takeover of the fire mitigation industry covering a portion of NYC.

Links:

<https://www.justice.gov/usao-sdny/pr/bloods-gang-member-convicted-trial-violent-and-extortionate-takeover-new-york-city>

<https://www.justice.gov/usao-sdny/pr/bloods-gang-member-sentenced-12-years-prison-violent-and-extortionate-takeover-new>



NYIA Strongly Supports Executive Budget Proposals to Reduce Fraud, Abuse, and Excessive Litigation

NYIA supports these efforts to address fraud, abuse and excessive litigation in New York's auto insurance system. The only way to make insurance more affordable is to make it more available by tackling the underlying cost drivers. Fraudulent practices and abusive litigation cost law-abiding New Yorkers, threaten safety on roadways, diminish the quality of health care in our state and add financial burdens to New York families.

Including staging a motor vehicle crash in the definition of insurance fraud: [PPGG Part F](#)

- This proposal would expand the definition of “fraudulent insurance act” to include staging a motor vehicle accident and lower the dollar threshold for insurance fraud in the first through fifth degree.
- Such provisions would **crack down on staged accident rings** and allow insurers and law enforcement to investigate cases and prosecute the masterminds of these schemes. By expanding the legal definition of insurance fraud and lowering thresholds, the proposal would reduce fraud and discourage this form of organized crime.

Reducing Unnecessary Litigation: [TED Part EE](#)

- This proposal would remove the 90/180 day rule from the definition of serious injury; standardize courts' order for determining fault, serious injury, and non-economic damages; limit the amount of non-economic damages from being awarded to uninsured motorists, individuals convicted of driving while impaired, and individuals committing a felony or fleeing one at the time of the accident; bar recovery for claimants if their liability is greater than the liability of the defendant or is greater than the combined liability of persons against whom recovery is sought; and provide that defendants less than 50 percent at fault only have to pay their equitable share of non-economic damages.
- Such provisions will **reduce legal exposure, litigation volume, and claim severity**, all of which are **key cost drivers of auto insurance**. These cost drivers are also what incentivize fraudsters to stage false accidents, file claims, and sue for emotional damages. Insurers base premiums on projected payouts; reducing payouts reduces future rate filings and **lowers the costs for policyholders**.

Providing Carriers with Additional Time to Investigate Claims for Fraud: [TED Part FF](#)

- This proposal would extend from 30 to 60 days the amount of time an insurer has to report suspected fraud to DFS and would clarify the right of an insurer to deny a claim or assert a defense after the 30-day payment requirement when fraud is suspected. This language would overrule *Presbyterian Hospital v. Maryland Casualty Co.*, 90 N.Y.2d 274, 660 N.Y.S.2d 536 (1997) which has prevented carriers from adequately investigating no-fault fraud.
- Such provisions will allow for stronger **fraud detection, fewer fraudulent payouts** and less pressure on premium. If insurers can effectively detect **more fraudulent claims**, they will be able to **prove and ultimately prevent** the fraud that is occurring. The goal is to effectively combat fraud and thwart bad actors from increasing costs for all New York residents and businesses.



New York Residential Property Market Report

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INTRODUCTION

The New York Insurance Association (NYIA) is interested in engaging in a dialogue with the Legislature about the challenges with the residential property market in New York. In an effort to facilitate that dialogue, and in response to the information request from Senator Skoufis, Senator Kavanagh and Senator Bailey, we have prepared the attached report. Our goal is to provide you with a comprehensive, nonconfidential response regarding the challenges that exist and potential solutions to address those challenges.

This report contains a wide range of information and links to additional resources, which we offer to be educational, collaborative and discussion-oriented. Unique New York isn't just a familiar phrase, it reflects the distinct and often complex landscape of doing business in the state. The challenges in the property and casualty marketplace are driven by a wide range of factors including but not limited to the difficult litigation environment, pervasive fraud, increase in the severity and frequency of extreme weather, aging infrastructure and higher replacement costs.

New York's property insurance market is served by a wide range of insurers including long-established local and regional policyholder-owned cooperatives, larger regional and superregional mutual and stock insurers, and carriers with a national footprint and various organizational structures. Insurance is unique among many industries in that it is almost exclusively state-regulated with minimal federal oversight. Each state is responsible for establishing its own rules for the organization and regulation of its insurance market, but this work is not done in a vacuum. Different organizations, such as the National Association of Insurance Commissioners, ([NAIC](#)) and the National Council of Insurance Legislators ([NCOIL](#)) work to accredit state regulators, and establish non-partisan, carefully-considered, technically sound models for legislative and regulatory policy for adoption and implementation by the various states. Indeed, New York is a leader in these collaborative policy development bodies with various New York legislators having held and currently holding leadership in these organizations.

Fundamentally, insurance is a risk spreading mechanism allowing groups of policyholders to collectively support an individual bearing financial burden beyond what they could do on their own. Reinsurance plays a key role in spreading risk for insurance companies and ensuring the solvency of companies. A carrier's success is ultimately measured by its being able to make good in its obligation to pay claims. Multiple carriers demonstrating capacity in this regard is critical to the successful development of a stable and reliable insurance market where multiple carriers compete for a policyholder's business. The cost of coverage is determined by assessing the risk associated with a property, including the geographic location as a primary factor. An individual carrier, and an insurance market's success depends on insurers' ability to accurately understand the risk profile of a given exposure and provide coverage designed accordingly, pricing its policies in a way that is not excessive, inadequate, unfairly discriminatory, destructive of competition or detrimental to the solvency of insurers. New York is a market that is tightly

regulated and subject to a wide range of statutory and regulatory requirements governing how insurance policies can be marketed, offered, underwritten, rated, renewed, nonrenewed, cancelled or generally serviced by an insurance company.

Insurance companies want to provide the most affordable coverage possible, which is dependent on making improvements to the market. Addressing today's challenges requires solutions that will make insurance more available, and in turn, more affordable. New York's insurance marketplace needs to be sustainable for insurance companies to serve their policyholders.

Insurance can only be affordable if it is available.

We look forward to working with the Legislature to strengthen the health of the insurance market by increasing the availability of insurance, which will enable insurance companies to provide protection to New York residents and businesses.

BACKGROUND

The property and casualty insurance market in New York has experienced a variety of challenges. Chief among these challenges are the increased frequency and severity of extreme weather events, New York's aging infrastructure, inflation and the rise of rebuilding costs, constrained regulatory capacity, the challenging litigation environment, and high rates and pervasiveness of fraud. These obstacles ultimately drive costs for both policyholders and insurers. Carriers are being forced to take on immensely greater risk even when only retaining existing policies. The insurance industry has been consistently [vocal](#) about the [role](#) of insurance as well as the [challenges](#) in the market, warning that without meaningful change New York could experience issues similar to those in California and Florida.

It is critical to understand that the New York property and casualty market is a state-based system and does not cross-subsidize other states. Insurance companies use risk-based pricing to determine the cost of coverage. There are risks that are specific to New York, which are particularly pronounced in the state. There are also concerns that New York is not alone in facing. As seen across the nation, the way to address the affordability of insurance is to increase availability, by encouraging more options in the marketplace.

The New York property and casualty industry works hard to surmount challenges and implement solutions within our capacity to do so. Our efforts include consumer education, implementation of new technologies and research. Though carriers have been at the front lines of these initiatives, the challenging market is a multifaceted problem that requires a multipronged solution. Eliminating the overarching struggles will require the cooperation and collaboration of many diverse stakeholders. It is imperative that dialogue, education and partnership are employed to diminish these challenges and create a more vibrant market that continues to provide protection for New Yorkers.

LESSONS LEARNED

We are seeing headlines from around the country about insurance market crises. In particular, [Florida](#) and [California](#) are experiencing a highly publicized insurance crisis in which some insurers have been forced out of each state's marketplace entirely. While the insurance crisis in both states can be partially attributed to large losses associated with the growing frequency and severity of natural [disasters](#) the issue is actually driven by other factors. In the case of Florida, the litigation environment has played a significant role with recent [reforms](#) showing signs of improvement in the market. In the case of California, the regulatory environment was a major factor with companies not being able to achieve rate adequacy. Major [changes](#) are now underway to improve California's regulatory landscape and promote entrance and reentrance by carriers within the state's boundaries.

COST DRIVERS

Frequency and Severity of Extreme Weather

Certain states and areas are known for their challenges with weather—wildfires in the west, hurricanes in the south, and tornadoes in the midwest. Years ago, New York State was viewed as a climate oasis because of its relative lack of exposure to extreme weather events. However, recent data shows that the [number](#) of severe weather events causing damage to New York State has increased exponentially since 2010. Strong winds and tornadoes are becoming increasingly common, as are floods caused by rising sea and lake levels and stronger storms. Wildfire also remains a pervasive threat, and although the risk for wildfires is [not expected to increase](#) in the coming years, they may be fueled by more frequent and destructive windstorms.

Building and development is also becoming more common in [high-risk areas](#). Recent studies suggest that large swaths of New York properties are at a high risk of experiencing weather-related damage. The Department of Environmental Conservation [reports](#) that more than 620,000 New Yorkers currently live in areas susceptible to flooding. While the same report states that almost 61,000 state residents have taken steps to protect their properties from water damage, this still leaves the vast majority of New Yorkers without preparations for excessive flooding events that may affect their homes. As sea levels rise due in part to climate change, storm surges are [predicted](#) to move further inland, causing properties not previously in flood plains to be considered at risk. In New York City alone, 82,000 individual housing units are [expected](#) to see damage from flooding by 2040.

A [study](#) completed by CoreLogic shows that New York City has [3.7 million homes](#) currently at risk of receiving damage from hurricane winds. Storm surge and flooding from hurricanes were also listed in the report as areas of concern for New York. Hurricanes, tropical storms, straight line wind events and winter storms have been costly when they impact New York State—a fact

that is unlikely to change in the future. Hurricane Irene, compounded by Tropical Storm Lee, thought to be the second most expensive hurricane to hit New York in recent history, caused [\\$1.3 billion](#) in damage to the state in 2011. New York's coastline is not specific to the Atlantic Ocean and Long Island sound and includes hundreds of miles of freshwater coastline. We have seen a range of issues in relation to the Great Lakes, including [rising](#) lake levels of Lake Ontario in 2017 causing damages of over \$100 million in New York State alone.

The most expensive and one of the most destructive natural disasters to strike New York came in 2012, when Hurricane Sandy made [landfall](#) near Atlantic City, New Jersey and moved north to affect the New York City, Long Island and Westchester areas. Hurricane Sandy caused an estimated [\\$32 billion](#) in damages, with [\\$19 billion](#) in damages occurring in New York City alone. Following the storm, New York spent [\\$9 billion](#) on damage mitigation and future prevention efforts. Hurricanes are [expected](#) to further increase in strength over the coming years, which could exacerbate the amount of damage sustained by New York properties. The insurance industry responded to an unprecedented number of claims in the state, amounting to a total of nearly 500,000.

On a larger scale, research [notes](#) that the average amount of insured losses nationwide from 1980–2021 was \$21.8 billion per year. From 2012 to 2021, that number had more than doubled, with the average amount of insured losses coming to \$44.1 billion per year. This astronomical increase is in part due to the increase in extreme weather events over the past few decades.

It is difficult to assess the rapidly evolving risk of [natural disasters](#). Moreover, according to the Brookings Institution, “a changing climate means that analysis based on historical data can underestimate future climate risk exposure.” As a result, insurers will need to reassess exposures and ensure coverage and pricing remain actuarially sound. These ongoing challenges impact both the ability to estimate risk and the stability of the homeowners market.

Aging Infrastructure

New York State, especially its larger cities, have an abundance of aging and in some cases deteriorating buildings and housing stock. New York has the oldest owner-occupied homes in the United States with a median age of [62 years](#). Even more notable, more than 80 percent of New York City's housing was built over [50 years ago](#), and 42 percent of its homes are over [85 years old](#). Older buildings are often more susceptible to damage and can be more challenging for insurance companies to underwrite than newer buildings. There are multiple [factors](#) that might potentially affect the cost of insuring buildings, including but not limited to the location, age and type of building, the use of the building (residential and/or commercial), the proximity of fire protection services, the choice of deductibles, the availability of any premium discounts and the scope and amount of insurance coverage. These factors all help insurance companies and property owners determine risk and the cost of a policy.

Another difficulty in maintaining many of these dated properties arises from the state's increasing susceptibility to natural disasters, as was previously mentioned. In New York City specifically, the [majority](#) of buildings were constructed between 1920 and 1940, making most residences unable to effectively withstand the strengthening severe weather events affecting the city without incurring damage. This creates an unsustainable housing market in the country's most populated city, where housing shortages are already a challenge. The inability to take action to improve New York's aged and often structurally deficient real estate creates the potential for more serious infrastructure issues down the road, specifically as they relate to the high probability of damage from severe storms and rising construction costs caused by inflation and fraud.

Inflation and the Cost of Rebuilding

The cost of rebuilding and repairing can be high for both older infrastructure and more recently constructed dwellings. The amount needed to [rebuild](#) or restore a home following any damage it incurs can be affected by multiple factors, including but not limited to the age of the home, the cost of materials and labor, as well as the size of the structure and the quality of building materials used. Older buildings, when being rebuilt, must comply with current building and energy codes. Construction that complies with code-mandated energy and structural performance often requires increasingly complex designs, structural assemblies, sophisticated materials and construction modes, as well as performance validation and certification, all of which far exceeds what was typical at the time of construction. The high cost of rebuilding damaged properties, stemming from skyrocketing costs of building materials from new tariffs and inflation, has a major effect on an insurance company's ability to take on risk and ultimately impacts the availability and affordability of insurance.

Following the COVID-19 Pandemic, costs have risen significantly as a result of inflation. Supply chain issues and labor shortages across the nation have led to the price of goods, including building materials like steel and lumber, becoming more [expensive](#). According to the National Association of Home Builders, costs of some building materials are over [50 percent higher](#) than they were at pre-pandemic levels. The Insurance Information Institute (Triple-I) assessed that cumulative replacement costs related to homeowners insurance soared [55 percent](#) between 2020 and 2022. According to the Bureau of Labor Statistics, lumber and other construction material [prices](#) remain approximately 40 percent higher than pre-pandemic levels. These numbers have an immense and direct impact on home repair and rebuilding costs and how much insurers pay out in claims. Put simply, if a representative sample home in New York in 2025 suffers damage and needs repair, it will be proportionally more expensive to repair than at any time in history, at a rate that outpaces the simple appreciation in home values. Insurance policyholders rightfully expect that a policy will respond to make good on a claim, and to do so, insurers must maintain adequate capital and reserves to pay these escalating claim costs.

Natural disasters have been another factor affecting the rising costs of building materials. Canadian wildfires have burned millions of acres since 2020, seriously depleting North America's valuable supply of lumber. In 2023, three of Canada's provinces—Quebec, Alberta, and British Columbia—made up [30 percent](#) of North American lumber production. With a newly created gap in the market, builders are now being forced to seek alternative suppliers for construction materials, which comes at a higher cost.

Additionally, federal tariffs will further drive up the costs for construction material and repairs. From January 2020 to December 2024, the cost of construction materials increased by [38.5 percent](#), while the cost for labor increased 33.4 percent. The U.S. imported about [\\$14 billion](#) worth of residential construction materials in 2024, including Canadian lumber and Mexican lime and gypsum products, according to the National Association of Home Builders (NAHB). Numerous raw materials and components, ranging from steel and aluminum to home appliances, are sourced from nations across the globe that are subject to the latest tariff proposals. Builders and contractors estimate that building a single family home will cost an additional [\\$10,900](#) because of tariffs.

Regulatory Capacity and Framework

Another factor that significantly contributes to the overall health of the market is the regulatory environment. New York is not currently in a position to provide the required review and engagement in a manner that enables companies to bring products to market quickly. Insurance companies want to be able to provide products to their customers that are most relevant to their needs. New Yorkers are often not able to access new products and services as quickly as individuals and businesses in other states given the regulatory process. More regulatory capacity and modernization is needed to provide New York residents with the ability to obtain the newest and innovative insurance products and services offered, resulting in greater consumer options.

Challenging Litigation Environment

Legal system abuse is proliferating in New York and harms the overall business climate, with a specific emphasis on the insurance industry. According to the Lawsuit Reform Alliance of New York (LRANY), our state ranks dead last in lawsuit climate for small business, costing taxpayers \$22 billion annually and deterring New Yorkers from starting a business.

Aggressive attorney advertising, jury anchoring, forum shopping, phantom damages, unregulated third-party litigation financing, and other forms of legal system abuse cost consumers in New York in excess of [\\$7,000](#) per year and further burdens insurers and businesses. In fact, New York is one of four states that have the highest [nuclear verdicts](#) in the nation. The U.S. Chamber of Commerce Institute for Legal Reform reported that New York saw [131 nuclear verdicts](#) in 2023, awarding over \$4 billion to just those cases alone. It is also important to acknowledge that these damages are largely noneconomic rewards that are not subject to a cap in New York.

These forms of litigation abuse not only increase the costs of goods and services for all consumers but deplete judicial resources and create insurability problems in general, but specifically the residential property market. The American Tort Reform Association (ATRA) listed New York as a “[lawsuit inferno](#)” due to the state’s permissive civil practice landscape. These challenges are compounded by ongoing legislative efforts to expand opportunities and incentives for litigation. While many of the bills allowing for expanded lawsuit potential are ostensibly intended to serve consumers, they have predictable side effects which necessarily and mechanically manifest as increased insurance rates.

Widespread Fraud

Annually, all types of insurance fraud cost policyholders more than [\\$308 billion](#) each year, or just over \$900 for each person in the United States. In the residential property insurance market specifically, fraud may present itself through arson or other intentional damages to a property, staged accidents including slip and falls and those on construction sites and deception of homeowners by unscrupulous contractors or individuals posing as contractors and overcharging insurance companies for repairs. The insurance industry has taken steps to prevent instances of fraud such as these, however fraud can be most easily stopped at the source, by requiring widespread consumer education and strong laws to deter fraudulent criminal acts. The actions NYIA and the insurance industry as a whole have taken to prevent fraud are detailed in the solutions section.

In 2017, the National Insurance Crime Bureau (NICB) [estimated](#) that the United States suffered more than 50,000 intentionally set structural and vehicle fires. The estimated cost in property damage was over \$1 billion. Furthermore, DFS received [181 reports](#) of fraud involving arson in 2024. This is similar to the number in previous years, 187 and 182 in 2023 and 2022, respectively. While insurance fraud through arson can be difficult to detect from physical evidence alone, insurance companies and those they work with extensively use every available means to investigate fires and deploy many modern remediation tools, such as forensic accounting.

Deceitful contractors have become such a common issue in New York State that Attorney General James’ office consistently lists home improvement complaints as a top 10 consumer complaint. Most recently, these complaints have ranked eighth in [2022](#), [2023](#) and [2024](#).

Contractor fraud may present itself in many forms. It is common following severe storms where significant damage is sustained to properties in an area. The Attorney General’s office warns that signs of contractor fraud may [include](#) unsolicited offers to complete work on one’s residence, non-local companies pushing their services to hard hit areas after large storms, contractors with non-verifiable business information and pressure to put down a cash deposit before work has been completed on the project. While state law mandates that all consumers completing home improvement projects costing more than \$500 must receive a [written contract](#), it does not mandate that contractors be [licensed](#) statewide. This allows unscrupulous, fly by night

individuals posing as legitimate contractors to take advantage of New York consumers, further driving up the costs associated with property ownership. Overcharging insurance companies for repairs is a type of fraud that may be committed by property owners and contractors alike. When the cost of a home construction project is purposely overstated to gain an additional payout from the insurance company, the situation becomes fraudulent. The National Council on Aging [reports](#) that consumers who fall victim to contractor fraud lose an average of \$2,426.

Staged slip and fall accidents on properties as well as staged accidents on construction sites, have a very serious impact on the costs associated with insurance. In the case of construction sites, the fraudulently staged events increase costs with property construction, repairs and other improvement work.

This [increasingly costly](#) issue is encouraged by a complex web of fraudulent actors, medical providers and trial lawyers eager to take advantage of the previously mentioned “lawsuit inferno” in New York State. In [many staged construction site accidents](#), false actors are recruited to fall or otherwise “injure” themselves at the worksite. This creates an issue for insurers, who are then pulled into the equation as parties who must then pay for costly workers compensation claims or liability claims, when there is no actual injury. The criminal schemes involve unnecessary procedures and surgeries designed to defraud the businesses involved. These staged accidents have unfortunately become such an issue that they have been covered extensively in the [news](#). Investigative reporter Kristin Thorne has uncovered numerous fraudulent worksite accidents and a stolen identity claim used to file for [workers compensation benefits](#). She also discovered that a single apartment building in the Bronx was the source of [30 construction injury claims filed by residents](#) and a two-story home directly across the street accounted for 21 claims.

In New York City, a well-publicized case of staged slip and falls brought widespread attention to the issue of fraud. The 2023 case [accused](#) multiple parties of staging slip and fall accidents from 2013 to 2018 and ultimately robbing New York businesses and insurers of more than \$31 million. The case involved medical professionals, lawyers and other professionals who were trusted to protect their clients engaging in predatory behavior that took advantage of everyday New Yorkers, often the most vulnerable. Scheme organizers instructed individuals to claim they had fallen, or to stage a fall near cellar doors, cracks in concrete sidewalks or potholes. The individuals were then directed to see specific attorneys who were in on the scheme, as well as a doctor who would provide medically unnecessary surgeries. Each of the scheme organizers stole millions of dollars as a result of their participation.

Statistics show that this case is not an isolated incident. In 2019, National Insurance Crime Bureau (NICB) [listed](#) New York as the state with the highest amount of potential slip and fall fraud instances in the nation, and New York City as the municipality with the highest amount of potential claims. Specifically, from 2017 to 2019 the NICB also [reported](#) that Kings, New York and Queens counties had the fourth, seventh and ninth highest amount of fraudulent slip and fall claims nationwide, respectively.

SOLUTIONS

Building Resiliently

The property and casualty insurance industry has historically supported and invested in the construction of stronger and more resilient infrastructure. In 1979, the [Insurance Institute for Business and Home Safety](#) (IBHS) was established by the insurance industry to study techniques to avoid damage to homes during natural disasters and inform the insurance industry about new designs and risks. Since then, insurance companies continue to support this institute which continues to engage in research that informs the public and policymakers on how to improve the sustainability of our homes and businesses. In 2010, IBHS [established](#) an applied research and training campus to conduct rigorous testing of homes, commercial structures, and building components against all types of severe weather. The institute's groundbreaking science and solutions has shed light on the ways to build more resiliently and avoid a disaster when severe weather strikes.

In 2013, NYIA held a Strengthen New York Summit with roundtables to gain insights from a range of stakeholders involved in disaster preparedness, response and recovery. The association [shared](#) the many suggestions offered by elected officials and representatives from state agencies, municipalities and the insurance industry, among other groups, as part of a white paper “Lessons Learned After Sandy and Possible Ways to Strengthen New York.” Key findings from NYIA’s report included the need for increased adoption of flood insurance policies and appropriate home, auto, business and other coverage, the reinforcement of buildings rebuilt following the storm, increased education and preparation, as well as enhanced coordination of disaster response and improved utilization of resources.

Insurance underwriting takes into account the many factors that can lower risks for policyholders. These may include the use of reinforced materials that can better withstand severe weather events, fire or other factors when constructing new buildings or upgrading older ones. When adopted on a larger scale, state reinforcement efforts can lead to more resilient homes and businesses, creating increased affordability, improving safety, and potentially helping to slow the outmigration of residents from New York.

Investing in the construction of more resilient homes would not only have the potential to create a positive impact on losses but might also help to increase resident safety during severe weather events. IBHS has created [FORTIFIED standards](#) to better protect homes against extreme weather. These standards provide a valuable resource as New York searches to strengthen its building resiliency to withstand increasingly damaging storms.

Windstorms, one of the most damaging weather events in New York, contribute substantially to damage costs across the state. The [IBHS FORTIFIED roof standard](#) specifies that homes must have sealed roof edges and decks, enhanced attachment systems, and impact-resistant shingles to increase the chance of a roof’s survival during a windstorm. Additional steps that can be taken to

give properties increased durability against windstorm threats include protecting weak points of a building, including but not limited to windows, entryways and garage doors. The IBHS [recommends](#) installing impact-rated windows and doors to lower the threat of the glass shattering and allowing storm damage to enter the home. For garage doors, wind-rated installations are recommended to prevent the garage door being blown inward, causing damage and allowing for an internal pressure imbalance that could damage walls and roofs.

One of the most consistent threats to New York State is flooding. Damage from floods can be lessened through the integration of new requirements into state [building codes](#), such as by mandating that electrical components be raised to a certain height above the base flood elevation (BFE). In a state that receives flooding from multiple sources, including hurricanes, heavy rainstorms and snowmelt, floods are inevitable. Installing the infrastructure to handle floods as they come will be an important part of reducing insurance costs for homeowners. Engineering techniques with positive long-term effects, such as building homes above floodplains, improved levee construction, the creation of floodable reservoirs to direct excess water away from buildings and the implementation of new technologies such as [permeable pavement](#) can lessen a building's chances of being affected by floodwaters.

After California tragically endured wildfires in January of 2025, public attention began to center on wildfire mitigation efforts. While wildfire prevention is itself part of a larger issue, the construction and improvement of homes to endure wildfire events has become more common. One report [suggests](#) that in the next 30 years, 12 percent of New York City properties will become at risk of being affected by wildfire. The IBHS [outlines](#) the ways that homeowners and contractors can make a building less susceptible to fire, including through improvements that can result from statewide building efforts. By providing accessible fire mitigation building materials, like noncombustible and fire-resistant fences, doors, vents, siding and Class A roof coverings, New York can effectively lower the risk of a fire spreading through densely populated areas. It is also important to note the risk of fires more generally and the need to mitigate the risk. As a case in point, New York City, experienced approximately [20,000 structural fires](#) in 2024.

The IBHS has dedicated resources to researching and engineering more resilient building materials designed to meet their FORTIFIED standards. At the [IBHS Research Center](#), referenced earlier in this report, which was founded in partnership with multiple insurance organizations and companies, industry experts can conduct research on how weather affects both residential and commercial properties. The 90-acre center can simulate the effects of ember exposure, hailstorms, high winds and wind-driven rain entry, and can test how well standard and FORTIFIED structures stand up to the simulated hazards. The research facility has produced useful reports on the quality of building materials, including [shingles](#) and [packaged terminal air conditioners](#), and the effectiveness of new technologies, such as externally applied [fire-retardant coatings](#). Through an updated code mandating the use of high-performing materials in new constructions and repairs, hundreds of thousands of dollars in damage could potentially be prevented.

The IBHS Rating the States 2024 [report](#) lists New York as number 11 out of 18 coastal states based on “residential building code adoption, enforcement, training, education and contractor licensing.” Though New York allows local jurisdictions to strengthen their code beyond what is required by the state, it is crucial to note that not all New York counties do so. Furthermore, New York does not require licensing of general, plumbing, mechanical, electrical, or roofing contractors and leaves the decision of whether to require regulations for licensing of construction trade contractors to local jurisdictions.

According to the [report](#), New York has risen by one place on the list since 2021. Although the report showed that New York saw the largest improvement of any of the 18 states studied, the report indicates that the state still can look to the frontrunners for further advancements. On a scale of zero to 100, New York’s code adoption score was a 47. The report listed improvements to wind mitigation standards as progress towards a more sustainable market. It also cited requirements for residential code to be a mandated course for building officials’ continuing education and requiring licensing of general, plumbing, mechanical, electrical or roofing contractors as areas in which New York could improve its construction market. Most importantly it referenced the need to adopt a state-mandated certification and licensing program for construction trade contractors.

Loss Mitigation Efforts

Loss mitigation efforts are a tool frequently utilized by insurers to lower the risk associated with insuring a property. When companies turn to their underwriting teams to determine whether a property poses a substantial risk, they will frequently consider any loss mitigation efforts the policyholder has completed. The installation of home safety systems designed to prevent theft or vandalism, smoke and fire detection systems, newer wiring and hardware, and the installation of wind mitigation features and construction techniques can prove helpful in reducing risk.

Other technologies that prevent losses include [Ting](#), a sensor that is plugged into an outlet in your home and connects to a Bluetooth device through a mobile application. The smart technology detects and identifies precursors to electrical fires and notifies users of fire hazards before they become disasters. Additional [technologies](#) monitor leaks and alert users if water is detected. Some even connect to water monitors and automatically trigger the shut-off to proactively protect homes from water damage. These are just a few examples of many technological tools that can lower the risk experience. Insurance companies are closely looking at the promise of these types of innovative approaches to mitigate risk.

Regulatory Modernization and Increasing Capacity

An important facet of improving the market in New York is modernizing the regulatory system and increasing capacity at the New York State Department of Financial Services (DFS). Regulators need more resources to be able to conduct their review so insurance companies can offer the most modern insurance solutions to policyholders. NYIA encourages the state to fully

fund DFS and ensure that assessments are used for DFS's operations. NYIA has further supported allowing DFS to hire consultants to aid in the filings process. Such authority would require legislative approval which has been drafted in [A4259A](#) (Weprin) and [S5321](#) (Bailey).

Litigation Reform

NYIA supports a number of priority initiatives that would curb lawsuit abuse and restore fairness to our justice system.

NYIA advocates for transparency and disclosure in the lawsuit lending industry. Litigation financing companies offer upfront cash to plaintiffs in exchange for a portion of future settlements, often charging excessive fees that exploit vulnerable consumers in financial distress. We are pleased that [A804C](#) (Magnarelli)/[S1104A](#) (Cooney) passed both houses of the legislature and will provide for added consumer protections in this opaque industry. However, judges and juries should also be notified of the use of litigation financing in lawsuits to strengthen the transparency in the process and knowledge of the origination of these funds.

Additionally, changing the current interest rate on civil judgments will further ameliorate lawsuit abuse in our state. New York requires defendants to pay 9 percent interest on civil judgments—far above current market rates—pressuring settlements in cases and inflating the cost of litigation. NYIA supports legislation to align judgment interest rates with prevailing market rates, promoting fairness and reducing undue financial pressure on defendants. These provisions are consistently included in the executive budget and we urge advancement to address skyrocketing costs for both municipalities and businesses alike.

A key change is to replace absolute liability with comparative negligence in the Scaffold Law. Currently our state imposes absolute liability on property owners and contractors for gravity-related injuries—even when the worker is at fault. Reforming this law will reduce construction and insurance costs and attract private investment. New York is the only state in the nation that requires strict liability for gravity related injuries.

The U.S. Chamber of Commerce Institute for Legal Reform [suggests](#) a myriad of proposals to curb nuclear verdicts, such as passing legislation to bifurcate a jury's consideration of compensatory and punitive damages and limiting pain and suffering awards. This will allow rewards to remain more impartial and control the amount of nuclear verdicts when unnecessarily high.

The Lawsuit Reform Alliance of New York [lists](#) additional initiatives that would reduce frivolous litigation and expand New York's business environment. We encourage the Legislature to consider these proposals to address the many challenges.

It is also of great importance to prevent legislation from advancing that will further deteriorate the state's litigation landscape. Equally critical is ensuring a judicial system that provides fair treatment to both plaintiffs and defendants alike.

Combating Fraud

Statistics show that 78 percent of consumers are [concerned](#) about insurance fraud, but many do not know how to take the steps to prevent themselves from becoming victims. The New York Legislature has been a great advocate of preventing fraud and protecting consumers, but more actions must be taken to stabilize the market and ensure the availability of homeowners insurance.

Legislation needs to be fully advanced to give insurance companies the tools to fight fraud and deter criminal behavior. This includes legislation to classify staged construction accidents as a class E felony to curb fraud and abuse, [A3800](#) (Weprin)/[S5231](#) (Comrie).

In 2019, legislation was passed into law that curtailed the practice of storm chasers, or unscrupulous actors that solicited repairs following a storm or natural disaster but then perform substandard work or not even perform the services. Though contractor fraud still prevails, these provisions were the first step in combatting the issue. NYIA partnered with the NICB in May and participated in [Contractor Fraud Awareness Week](#). Efforts like these educate the public and make policyholders aware of these unfortunately common occurrences. This public awareness campaign has received support from numerous companies and trade associations, [including](#) NYIA. We welcome discussing further initiatives to address contractor fraud.

CONCLUSION

NYIA looks forward to working with public policymakers to promote the availability of insurance, which will have a positive effect on the affordability of insurance. There are many solutions that have been offered over the years, including by the insurance industry, and we welcome the opportunity to have productive conversations about legislation and other initiatives to properly manage cost drivers in the system. Addressing these cost drivers will enable companies to take on more risk as well as ultimately decrease insurance losses, and as a result, costs. This report is intended to offer information as a starting point to that conversation.

One key component is consumer education. We have referenced a number of different resources throughout this report and also encourage policyholders to talk with their agent or company representative about their insurance needs. NYIA has consistently spearheaded campaigns to increase consumer awareness of insurance, including through the [Thank Goodness for Insurance](#) initiative, which provides information on homeowners, business, auto and other types of insurance.

We welcome dialogue with the Legislature about how we can collaborate to best serve New York consumers. New York insurance companies exist to provide protection to their policyholders—we take great pride in serving our customers.

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General Insurance

Market-Based Interest Rate on Court Judgements: Part DD (Page 251) of [PPGG](#) would change the interest rate on court judgments paid by both public and private entities from the present legal rate of interest (9 percent) to a market rate of interest (the weekly average one-year constant maturity Treasury yield). *NYIA strongly supports as a priority on our affirmative agenda.*

Labeling for AI-Generated Content: Part X (page 91) of [TED](#) would require provenance data on AI-generated content, which allows users to reveal information such as origin, creation date, and editing of the content. *NYIA has concerns about compliance and enforceability.*

Regulation of Data Brokers: Part AA (page 109) of [TED](#) would require that data brokers operating in New York register with an office at the Department of Financial Services, honor requests from consumers via a centralized request submission system to have their 24 personal data deleted, as well as refrain from selling or sharing new personal data, and make certain disclosures on their websites. *NYIA is seeking a Gramm Leach Bliley Act (GLBA) entity level exemption.*

Premium Increase Explanations: Part BB (page 148) of [TED](#) would require insurers subject to article 23 of the insurance law to include the amount a premium will increase from a prior policy period, and an explanation of why the increase occurred, prior to renewal when the premiums associated with a homeowners or automobile insurance policy increase by more than 10 percent. Additionally, specific language would be required on premium bills or declaration pages that will inform consumers of their right to request a written explanation for any premium increase. Upon receiving a written request for a premium increase explanation, the insurance company would be required to respond to the insured within 20 days. *NYIA opposes as we have concerns surrounding operationalization and ensuring the information is meaningful to consumers.*

Auto Insurance

Criminal Penalties of Insurance Fraud: Part F (page 36) of [PPGG](#) would expand the definition of “fraudulent insurance act” to include staging a motor vehicle accident and lower the dollar threshold for insurance fraud in the first through fifth degree. ***NYIA strongly supports.***

Reducing Unnecessary Litigation: Part EE (page 156) of [TED](#) would remove the 90/180 day rule from the definition of serious injury; standardize courts’ order for determining fault, serious injury, and non-economic damages; limit the amount of non-economic damages from being awarded to uninsured motorists, individuals convicted of driving while impaired, and individuals committing a felony or fleeing one at the time of the accident; bar recovery for claimants if their liability is greater than the liability of the defendant or is greater than the combined liability of persons against whom recovery is sought (comparative negligence); and provide that defendants less than 50% at fault only have to pay their equitable share of non-economic damages (removes joint and several liability). ***NYIA strongly supports.***

Strengthening Insurer Anti-Fraud Programs: Part FF (page 158) of [TED](#) would extend from 30 to 60 days the amount of time an insurer has to report suspected fraud to DFS, and would clarify the right of an insurer to deny a claim or assert a defense after the 30-day payment requirement when fraud is suspected (These provisions would overrule *Presbyterian Hospital v. Maryland Casualty Co.*, 90 N.Y.2d 274, 660 N.Y.S.2d 536 (1997)). ***NYIA strongly supports.***

Dashboard Camera Premium Reductions for Automobile Insurance: Part II (page 173) of [TED](#) would require automobile insurance companies to offer an actuarially justified premium discount for an insured driver who equips their vehicle with a dashboard camera, pursuant to certain verification requirements. ***NYIA is opposed as we have concerns about ensuring mandatory discounts reflect a true reduction in loss. We also have concerns about the dashcam remaining operational and having appropriate storage.***

Extend the Excess Profit Law for Automobile Insurance: Part KK (page 181) of [TED](#) would extend the automobile insurance provisions regarding excess profits for an additional three years, until June 30, 2029. ***NYIA is neutral on extending the law.***

Medical Liability Insurance

Excess Physician’s Medical Malpractice: Part D (Page 159) of the [HMH](#) would amend chapter 266 of the Laws of 1986, to extend the Excess Medical Malpractice program, but would restructure the payments under such program to defer half of current year payment obligations to the following year, effectively halving the program cost for the state for the current year. By doing so the cost of this expense would be transferred to the physicians and providers of the state, dramatically increasing their costs of coverage. Additionally, this bill would further seek to recoup recurring savings for the state by restructuring the outyear payments to also be reduced by half. ***NYIA opposes.***

Medical Indemnity Fund Reimbursement Rates: Part I (page 196) of the [HMH](#) would set reimbursement rates to 100 percent of the Medicare rate of reimbursement for qualifying health care costs, or, if no Medicare rate of reimbursement is available, 100 percent of the Medicaid rate of reimbursement, or, if there is no Medicare or Medicaid rate of reimbursement, a rate determined by the Commissioner of Health. *NYIA is neutral.*

Property Insurance

Homeowners' Insurance Loss Ratio Benchmark: Part CC (page 150) of [TED](#) would require homeowner insurers subject to article 23 of the insurance law had an average annual gross written premium of \$10 million or more to refile their rates with DFS, for prior approval, if the insurer had a loss ratio below a specific benchmark that would be established for the prior two calendar years. The bill would authorize the Superintendent of DFS to conduct a study to analyze and determine a benchmark loss ratio for homeowners insurance companies. *NYIA strongly opposes.*

Automatic Property Insurance Premium Reductions: Part DD (page 151) of [TED](#) would require insurers subject to article 23 of the insurance law, to offer at least one actuarially appropriate premium discount for fire prevention, theft prevention, water damage prevention, and a newly constructed or replaced roof with wind mitigation improvements if constructed in accordance with any building codes. It would further require carriers to report to DFS a list of all discounts offered to insureds and the dollar reduction, and the number of insureds who receive each discount by zip code. *NYIA is opposed as we have concerns about ensuring mandatory discounts reflect a true reduction in loss. The association also firmly believes that FORTIFIED needs to be the standard for mitigation improvements.*

Reporting Requirements for Insurers of Multi-Family Housing: Part GG (page 159) of [TED](#) would require insurers that cover residential buildings with two or more dwelling units to file a report with DFS by March 1 each year. The contents of the report must, at a minimum, include information on collected premiums and claims paid, and be publicly posted on DFS' website. *NYIA is opposed as we have concerns with the oversimplification of information and insurance regulation.*

Workers Compensation Insurance

Workers Compensation Fraud Units: Part W (Page 210) of the [PPGG](#) would permit the Workers' Compensation Board to assess and collect funding from businesses for grants to district attorneys' offices to establish and maintain dedicated workers' compensation fraud units. *NYIA has not yet taken a position, but believes it is critical to determine how current resources can be the most effective.*

Increase Access to Medical Care for Injured Workers: Part X (Page 211) of the [PPGG](#) would permit all eligible, licensed New York State medical providers in good standing to treat workers' compensation patients. *NYIA is concerned about the impact of expanding workers compensation to a broad group of providers.*