



**Below are summaries of major provisions in the fiscal year 2024-25 New York State Executive Budget pertaining to property and casualty insurance with the corresponding actions by both houses of the Legislature.**

### **Taxes, Assessments and Fees**

**Executive:** No major increased taxes or fees on the property and casualty insurance industry, which means **no** increase in the premium tax **nor** an extension of the two percent premium tax to cooperatives. In relation to DFS's budget and the Financial Services Law section 206 assessments, the total DFS budget proposed in the Executive Budget totals \$533,947,000, which represents a 2.3 percent increase from the last fiscal year. There is a \$60 million included in the Capital Projects Budget for IT modernization, which the 206 assessments will likely ultimately fund in future years. The Department of Motor Vehicles proposed assessment to writers of motor vehicle liability insurance for administration of the state's compulsory insurance program, which includes the insurance information enforcement system (IIES), for the 2025 fiscal year is \$11,577,000, which is flat from the previous fiscal year.

**Senate:** Retained the same funding levels for all insurance-related appropriations.

**Assembly:** Retained the same funding levels for all insurance-related appropriations.

**Online Verification System (NYIA initiative), [Part H](#)** (page 36) of the Transportation, Economic Development and Environmental Conservation budget bill

**Executive:** Measure to transition New York's motor vehicle liability insurance reporting from the present Insurance Information Enforcement System (IIES) to a modernized, real time, Online Verification System (OLV). The language largely aligns with the bill that was introduced this past session. (NYIA Supports, on affirmative agenda)

**Senate:** Retained

**Assembly:** Omitted

**Lowering Interest Rate on Legal Judgments (NYIA initiative), [Part R](#)** (page 118) of the Public Protection and General Government budget bill

**Executive:** Measure to change the interest rate on court judgments paid by both public and private entities to the present legal rate of interest (9 percent), to a market rate of interest (the weekly average one-year constant maturity Treasury yield). (NYIA Supports, on affirmative agenda)

**Senate:** Omitted

**Assembly:** Omitted

**Expanding Penalties and Litigation Against Business and Insurers, [Part JJ](#)** (page 240) of the Transportation, Economic Development and Environmental Conservation budget bill

**Executive:** Measure to amend section 349 of the general business law recharacterize and make unlawful, certain "Prohibited Acts and Practices," in the conduct of any business, trade or commerce. In so doing, it uses extremely vague and amorphous definitions for unfair, deceptive

and abusive with the definitions being through the perceptions of the consumer, rather than through an unbiased perspective of a neutral party.

**Senate:** Included a more expansive proposal that largely matches the standalone legislation, [S795](#), and includes what has been described as a cure but in our initial read requires a settlement without actually filing a lawsuit. (NYIA Strongly Opposes)

**Assembly:** Omitted

**Excess Medical Malpractice Insurance, [Part K](#)** (page 94) of the Health and Mental Hygiene budget bill

**Executive:** Measure to make dramatic changes to the structure of the program and is not a straight extender. The proposal appears to require a physician or dentist to pay for 50 percent of the cost of the coverage. The appropriation for the program has been cut by half to \$39,250,000.

**Senate:** Modified so it is a straight extender of the program. (NYIA Supports)

**Assembly:** Modified so it is a straight extender of the program. (NYIA Supports)

**Workers Compensation Fine Increase, [Part N](#)** (section 16, page 96) of Public Protection and General Government budget bill

**Executive:** Measure to increase the fine on a workers compensation insurer from \$2,500 to \$2,500 *per violation*. (NYIA Opposes)

**Senate:** Retained

**Assembly:** Retained

**Affordable Housing Underwriting and Rating, [Part FF](#)** (page 227) of the Transportation, Economic Development and Environmental Conservation budget bill

**Executive:** Measure to prohibit insurance companies from inquiring on an application, canceling, refusing to issue, refusing to renew or increasing the premium of a policy based on the level or source of income of tenants, the property containing any residential dwelling units that must be affordable, and the owner or residents receiving government housing subsidies. (NYIA Opposes)

**Senate:** Retained

**Assembly:** Omitted, but advancing separate legislation, [A7910A](#), which is slightly different than the Executive Budget proposal.

**Supplemental Spousal Liability, [Part DD](#)** (page 223) of the Transportation, Economic Development and Environmental Conservation budget bill

**Executive:** Measure to modify the recent change in the law so the opt out only applies when the first named insured has a spouse on the insurance application. The proposal also limits the applicability of the law to insurance law 3425, meaning the requirement would no longer apply to commercial insurance and eliminates the requirement at renewal and amendment. (No Position)

**Senate:** Retained

**Assembly:** Omitted, but advancing separate legislation, [A9407](#), which is slightly different than the Executive Budget proposal.

**Sweeps from the Insurance Fraud Prevention Fund to the General Fund, [Part X](#)** (pages 155 and 156) of the Public Protection and General Government budget bill

**Executive:** Measure to grant the Comptroller the authority to transfer, at the request of the Director of the Division of Budget, \$115,420,000 from the motor vehicle theft and insurance fraud prevention fund to the general fund for the purposes of operation expenses of the division of state police, and \$1,100,000 from the state police motor vehicle law enforcement and motor vehicle theft and insurance fraud prevention fund to the general fund. (NYIA Opposes)

**Senate:** Retained

**Assembly:** Retained

**Extension of Internet Point Insurance Reduction Program, [Part F](#)** (page 35) of the Transportation, Economic Development and Environmental Conservation budget bill

**Executive:** Measure to extend the Internet Point Insurance Reduction Program (IPIRP) until April 1, 2026. This program, overseen by the State Department of Motor Vehicles, allows drivers to reduce points on their driving record by taking an approved online accident prevention course. The program would expire on April 1, 2024, without this legislation. (NYIA Neutral)

**Senate:** Retained

**Assembly:** Omitted

**Lithium-Ion Batteries National Laboratory Certification, [Part GG](#)** (page 228) of the Transportation, Economic Development and Environmental Conservation budget bill

**Executive:** Measure to amend the general business law to prohibit the sale of lithium-ion batteries or refurbished lithium-ion batteries, for use in micro-mobility devices, to only those batteries that have been certified by a nationally recognized testing and certification laboratory such as Underwriters Laboratories. (NYIA Supports)

**Senate:** Omitted

**Assembly:** Omitted, but are advancing bills to require certification for distribution, assembly, reconditioning, sale of lithium-ion batteries and second-use lithium-ion batteries.

**Authorizes NYC to Lower Speed Limits, [Part I](#)** (page 41) of the Transportation, Economic Development and Environmental Conservation budget bill

**Executive:** Measure to authorize the City of New York to set speed limits as low as 20 miles per hour, and as low as 10 miles per hour in school zones and other traffic calming zones, to promote traffic safety. (NYIA Supports)

**Senate:** Retained

**Assembly:** Omitted

**Autonomous Vehicle Technology Extender, [Part J](#)** (page 44) of the Transportation, Economic Development and Environmental Conservation budget bill

**Executive:** Measure to extend the authority of the Department of Motor Vehicles to continue demonstrations and tests of motor vehicles equipped with autonomous vehicle technology until April 1, 2026. This program would expire on April 1, 2024 without this legislation. (Neutral)

**Senate:** Retained

**Assembly:** Retained

**Stretch Limousine Passenger Safety Act, [Part K](#)** (page 44) of the Transportation, Economic Development and Environmental Conservation budget bill

**Executive:** Measure to amend the Transportation Law and Vehicle and Traffic Law, to establish a comprehensive limousine safety package based upon recommendations from the Stretch Limousine Passenger Safety Task Force. (NYIA Supports)

**Senate: Included a more expansive proposal,** by advancing the Senate's Stretch Limousine Passenger Safety Package which includes required safety equipment and features, mileage or age based phase outs for limousines, pre-trip safety briefings, an update to the limo safety website, increased fines for operating a limo with an out of service defect, and the extension of the Stretch Limousine Passenger Safety task force.

**Assembly:** Omitted

**Below are new proposals the Senate included their one house version of the budget.**

**Wrongful Death,** New Part FFF (page 189 of [S8305B](#))

The Senate advanced language to enact the so called "Grieving Families Act", which would dramatically expand damages and classes of plaintiffs under New York State's Wrongful Death Law, based on S8445. (NYIA Opposes)

**Workplace Post-Traumatic Stress,** New Part III (page 210 of [S8305B](#))

The Senate advanced language to expand workers' compensation coverage for work-related post-traumatic stress disorder based on S6635. (NYIA Opposes)

**New York Privacy Act,** New Part BB PPGG (page 94 of [S8305B](#))

The Senate advanced language to enact the New York Privacy Act to provide severely restrict and penalize the use of data, and to provide serious disclosure requirements and prohibitions with respect to how personal data is used and stored, based on S365B. (NYIA Opposes)

**Captive Insurance Program for Commuter Vans,** New Part YY TED (page 137 of [S8308B](#))

The Senate advanced language directing the Department of Financial Services to create a captive insurance program for commuter vans, black cars, ambulettes, paratransits, and small school buses, which works based off of S8432. (NYIA Opposes)