



January 24, 2023

Dear Governor Hochul:

Following delivery of S.74A/A.6770 to your desk, the below organizations, representing New York's business and healthcare communities, write to reiterate the need for this bill to be vetoed. We also write to express concerns about reports in the *New York Law Journal* and elsewhere that the bill's proponents have taken to attacking the credibility of an independent and peer reviewed analysis conducted by actuaries at Milliman, Inc. Unfortunately, in these polarized times, so-called advocacy organizations and other political actors turn to deception, misdirection, and disinformation when the facts are not in their favor. We look to your office to see through the smokescreen and expect that your decision on this bill will be based on evidence and data – not spin and outright lies.

The special interests supporting this bill – who have an enormous financial incentive to see this bill signed into law – offer no data and no analysis of their own. Their criticisms are nothing but empty ad hominem attacks on a credible source.

The reality is this bill would radically expand the kinds of damages recoverable in wrongful death actions, driving up liability insurance premiums for public and private entities across the state. According to the actuarial analysis by Milliman, Inc., the bill would increase medical professional

liability costs by nearly 40%. Automobile liability and general liability insurance would also increase. The result would be an 11% increase in annual premium across the board for residents and businesses.¹

Liability insurance premiums are already higher in New York than almost anywhere else in the country. This legislation would make it harder to attract new companies and discourage local entrepreneurs from pursuing their goals and remaining in New York. For businesses already operating in the state, increased liability insurance costs will lead to price increases, pay cuts, and even layoffs – ultimately devastating already-struggling communities.

As we seek to recover from the far-reaching impacts of the pandemic, we must pursue policies that help, rather than harm, the state’s business community. New York cannot afford to adopt new laws that drain our public coffers, discourage entrepreneurship and stifle economic activity.

Last year, you vetoed a bill citing “significant negative impact on defendants in litigation including hospitals, State government and local governments, all of which are already under a great amount of strain due to COVID-19.”² For the well-being of the economy and communities across the state, we implore you to veto S.74A.

Sincerely,

Associated Builders and Contractors Empire State

Associated General Contractors of New York State

Big I New York

Buffalo Niagara Partnership

Business Council of New York State, Inc.

Business Council of Westchester

Capital Region Chamber

Food Industry Alliance of New York State

Greater Binghamton Chamber of Commerce

Long Island African American Chamber

Long Island Association

Manufacturers Association of Central New York

Medical Society of the State of New York

National Federation for Independent Business

New York Association of Convenience Stores

New York Construction Materials Association

New York State Academy of Family Physicians

New York State Builders Association

New York State Health Facilities Association

New York State Neurosurgical Society

New York State Society of Anesthesiologists

Northeastern Retail Lumber Association

Partnership for New York City

Retail Council of New York State

¹ Jones et al., "Proposed Expansion of New York's Wrongful Death Act," New York Civil Justice Institute, June 3, 2022

² Veto message #69 from New York State Governor Kathy Hochul, returning A.2199 without approval (Dec. 29, 2021).

