



October 8, 2024

Hon. Kathy Hochul
Governor of New York State
New York State Capitol
Albany, NY 12224

RE: Veto Legislation to Radically Expand Liability S.8485B/A.9232B

Dear Governor Hochul:

As organizations representing all sectors of the New York State economy we write to urge you to veto S.8485B/A.9232B, the Legislature's latest version of the bill to radically expand the types of damages awarded in wrongful death lawsuits. Although the Legislature amended the bill, the current proposal fails to address the issues laid out in your previous veto memos. It also does nothing to address the concerns of those who oppose the bill, including the State Budget Office.

A recent actuarial analysis indicates that both the public and private sectors can anticipate the same devastating economic impacts as all previous iterations of the bill. This will further raise the cost of goods and services for consumers and our small businesses in a year where, [as The New York Times editorial board reminds us](#), "the high cost of living" is "the defining issue in this year's election."

In your previous veto memos, you expressed concerns that the bill "would increase already high insurance burdens on families and small businesses and further strain already-distressed healthcare workers and institutions," which would be "particularly challenging for struggling hospitals in underserved communities." S.8485B/A.9232B will bring about the same undesirable scenario. As such, our opposition to this proposal remains steadfast.

Despite consistent calls to do so, the legislature has provided no fiscal analysis of this legislation. We have consistently called on lawmakers to follow their own rules and quantify the fiscal impact on local governments, state agencies, and the private sector. Any claim that this bill has no fiscal implications, as the sponsors' memo states, is misleading and absurd. Not only will the private sector, including our healthcare system, be saddled with enormous new costs under this bill, so too will our government services, school systems, public transportation infrastructure, and public hospitals.

Actuarial analysis from Milliman Inc. finds that this latest bill will have the same economic impact as previous versions, including a 40% increase in medical professional liability premiums. An additional cost of that magnitude is enough to drive physicians to avoid practicing in New York altogether. Physicians already cite New York as [among the most difficult states to practice in](#). The Empire State continues to lead the nation in medical liability payouts, [totaling \\$616.58 million in 2023](#). This bill will only compound both situations.

Personal automobile liability and small business general liability insurance premiums would increase as well – by 6% and 10.9% respectively. This all amounts to an added \$2.7 billion in annual premiums paid by our doctors, hospitals, residents, and businesses.

Insurance premiums are already higher in New York than almost any other state in the country, [a recent report from the New York Civil Justice Institute](#) finds. If signed into law, this legislation would deter business retention and creation, make it harder to retain and recruit medical professionals, and strain our local governments' limited budgets.

With the rising cost of groceries, housing, and healthcare, and growing tax and fee burdens, New Yorkers are in the middle of an affordability crisis. This coalition urges you to once again veto legislation that will dramatically alter the liability environment in New York, putting the state out of line with the rest of the nation.

Thank you for your leadership and for considering our perspective on this vital issue.

Sincerely,

American Property Casualty Insurance Association

Associated Builders & Contractors – Empire State Chapter

Associated General Contractors of New York State

Big I NY

Buffalo Niagara Manufacturing Alliance

Buffalo Niagara Partnership

Business Council of New York State

Business Council of Westchester

Campground Owners of New York

Capital Region Chamber of Commerce

Construction Exchange of Buffalo and Western New York

Council of Industry, The Manufacturers Association of the Hudson Valley

Eastern Contractors Association

Empire State Forest Products Association

Food Industry Alliance of New York

Lawsuit Reform Alliance of New York

Long Island African American Chamber of Commerce

Long Island Association

The Manufacturers Alliance of New York State

MACNY, The Manufacturers Association

Manufacturers Association of the Southern Tier
Medical Society of the State of New York
National Association of Mutual Insurance Companies
National Federation of Independent Business
New York Construction Materials Association, Inc.
New York State Builders Association
New York State Center for Assisted Living
New York State Health Facilities Association
New York State Hospitality & Tourism Association
Northeast Agribusiness & Feed Alliance
Northeastern Retail Lumber Association
Partnership for New York City
Queens Chamber of Commerce
Rochester Technology and Manufacturing Association
Ski New York
Trucking Association of New York

