



Dear Governor Hochul:

As organizations representing all sectors of the New York State economy we write to urge you to veto S.6636/A.6698, which would radically expand the types of damages awarded in wrongful death lawsuits. This bill fails to remotely address any of the concerns you raised in your veto message for 2022's S.74-A/A.6770. Our opposition to this new version of the bill remains steadfast.

To date, the legislature has provided no analysis of the potential cost of this legislation. In our opposition to the previous bill, we called on lawmakers to follow their own rules and provide an accurate fiscal analysis of the impact on local governments, state agencies, and the private sector. Any claim that paying more people more money has no fiscal implications for state and

local governments is misleading and absurd.

Like the original bill, this amended language would drive up liability insurance costs for public and private entities across the state, especially healthcare professionals and facilities. According to actuarial analysis by Milliman, Inc., last year's measure would have increased medical professional liability costs by 40% or more. This means that the average annual premium for OBGYNs practicing in New York City and Orange, Rockland, Sullivan, and Westchester Counties could balloon by \$57,804, increasing from \$146,340 to \$204,144. An additional annual cost of that magnitude is enough to drive physicians to avoid practicing maternity care and women's healthcare altogether. Staffing shortages will be compounded and access to quality care will be jeopardized at time when, as the *Times Union* reports, "more than two dozen maternity wards in New York have closed in the last 15 years."

Personal automobile liability and small business general liability insurance would increase as well – by 6% and 10.9% respectively. This all amounts to an added \$2.2 billion in annual premiums paid by our doctors, hospitals, residents, and businesses. Similar increases are projected under S.6636/A.6698 since the bill language that Milliman analyzed remains the same. Worse, the adjusted bill has the potential to create retroactive liability and revive additional claims barred by the current statute of limitations.

Insurance premiums are already higher in New York than almost any other state in the country. This legislation would deter business creation, make it harder to retain and attract medical professionals, and strain our local governments' limited resources. Access to government services will be put at risk.

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

Thank you for your leadership and for taking the time to consider our perspective.

Sincerely,

American Property Casualty Insurance Association

Associated Builders & Contractors – Empire State Chapter

Associated General Contractors of New York State

Big I NY

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 Businesses

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