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Speaker Carl Heastie
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Speaker Heastie,

I'm writing today to request that you move A5718 (S5959) to a vote on the Assembly floor, regarding the ability of Risk Retention Groups (RRGs) to write auto liability insurance for nonprofits in New York State. The current regulations prevent Ithaca Carshare and all carshares from obtaining this insurance and therefore from operating at all.

New York State carshares are facing a total collapse of services if this bill does not pass to solve this issue. Failure to act will completely negate the millions invested by the New York State Energy Research & Development Authority (NYSERDA) into carshares since 2008, including millions recently awarded to both Ithaca Carshare and a potential new carshare in Buffalo to electrify fleets.

This is a market failure. Ithaca Carshare has worked with multiple brokers over many years and been unable to secure a quote for this insurance, other than one nonprofit RRG (a nonprofit entity serving nonprofits itself). This does not create a monopoly; in fact Ithaca Carshare would be glad to see multiple players in this market rather than be forced to close because there are none willing to write the coverage.

As an elected representative concerned about traffic, climate change, pollution and the affordability of cars, I wholeheartedly support the service that nonprofit carshares are able to provide. Nonprofit carshares also provide a valuable service to many low- and moderate-income people who often lack access to affordable public or private transportation. The majority of members rely on carshare services for basic necessities, such as groceries and medical appointments. Federal law allows for nonprofit carshares in all 50 states to access auto insurance via RRGs, so New York's regulation is out of line with the rest of the country. By allowing RRGs to write this coverage in New York State, community nonprofit carshares can resume operating.

Please move A5718 to the floor for a vote as quickly as possible to solve this issue.

Thank you,

Laura Lewis
Mayor