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New York bill A.5718/S.5959 will help non-profit carshares access much-needed auto insurance

Ithaca, NY: Ithaca Carshare — New York State’s only non-profit, membership-based carsharing service — provides 24/7 access to 30 vehicles for over 1,500 members, and is at risk of closing operations on May 23, 2023 due to insurance and traffic laws and regulations in New York State.

These laws and regulations prevent Risk Retention Groups (RRGs) from writing auto insurance in NYS unless they are domiciled here. This problem is unique to New York State, as federal law explicitly allows RRGs domiciled in one state to write automobile insurance in other states.

A change in state law will allow Ithaca Carshare — as well as thousands of other non-profits in the state — to access auto insurance through a RRG.

Assemblymember Anna Kelles (D-125) and Senators Lea Webb (D-52) with Samra Brouk (D-55), have introduced a bill (A.05718 / S.05959) that will allow Risk Retention Groups — which meet minimum financial requirements — to register in New York and provide automobile insurance to 501(c)(3) non-profit organizations across the state.

While there are a few carshares in New York State, Ithaca Carshare is the only one operating as a non-profit, but there are non-profit carshares in development in Buffalo, Rochester, and the Capital Region, and passing this bill will allow other non-profit carshares to start, expanding these crucial services across the state.

All of the carshares in NYS have or will receive funding from NYSERDA, and the opportunity exists to significantly expand these services as part of the State’s efforts to equitably tackle climate change by making electric vehicles accessible to all New Yorkers.

Plus, this bill helps all nonprofits in New York that use a car to serve children, the elderly, medically fragile, or rely on volunteer drivers. Many non–profits have struggled to find auto insurance due to these laws and regulations.

Anna Kelles and Lea Webb are hosting an advocacy day in Albany on Tuesday, March 28. After a legislative briefing with other legislators, they’ll give a press conference on the capitol steps at 11:30am.

For more information: https://www.ithacacarshare.org/why-carshare/
https://www.ithacacarshare.org/nonprofit-carshare-insurance-faqs/, and
“The History of Insurance for Nonprofit Carsharing in New York”