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New York bill A.5718/S.5959 will save Ithaca Carshare & help ALL NYS Nonprofits

Ithaca, NY: Ithaca Carshare — New York’s only nonprofit, membership-based carsharing service — providing 24/7 access to 30 vehicles for over 1,500 members, will be **pausing operations on May 19, 2023, due to a market failure that has led to a severe lack of auto insurance for nonprofits in NYS.**

New York State insurance regulators prohibit 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.

There is one insurance company, a RRG domiciled in Vermont, who is willing to write auto insurance for Ithaca Carshare, but they are prohibited by NYS insurance regulators. No other private or commercial insurance company is willing to write our auto insurance, despite a 15-year history with excellent loss runs.

While this is a crisis for Ithaca Carshare, *it’s also a major roadblock for thousands of other nonprofits across the state who need auto insurance.*

According to the New York Council of Nonprofits (NYCON), many underwriters will not write auto insurance for nonprofits they consider higher risk, such as organizations that transport medically fragile, elderly, or children. **This has led to a total market failure for nonprofit auto insurance in NYS.**

Assemblymember Anna Kelles (D-125) and Senators Lea Webb (D-52) and Samra Brouk (D-55), have introduced bill [A.05718 / S.05959](#) that will allow nonprofit Risk Retention Groups to register in New York and provide automobile insurance to 501(c)(3) nonprofit organizations across the state.

“While we wait for this bill to make its way through the legislature,” says Liz Field, Director of Ithaca Carshare, *“NYS insurance regulators could fix this urgent problem for Ithaca Carshare today.”*

Please write to your NYS legislators and Governor Hochul today and ask them to pass this legislation. You can find sample letters here: <https://www.ithacacarshare.org/sample-letter-to-nys-legislators/> and here: <https://www.ithacacarshare.org/sample-letter-governor-hochul/>.

For more information: [ithacacarshare.org/insurance-updates/](https://www.ithacacarshare.org/insurance-updates/),
[ithacacarshare.org/nonprofit-carshare-insurance-faqs/](https://www.ithacacarshare.org/nonprofit-carshare-insurance-faqs/),
“[The History of Insurance for Nonprofit Carsharing in New York](#)”,
“[Responses to DFS’ Concerns to A.5718 / S.5959](#)”, and
[ithacacarshare.org/why-carshare/](https://www.ithacacarshare.org/why-carshare/)