

Memorandum in Support*

A.5718 Kelles/S.5959 Webb-Brouk

An act to amend the vehicle and traffic law and the insurance law, in relation to automobile liability insurance purchased from a Risk Retention Group. **Amended May 31, 2023.**

Ithaca Carshare, Mobility Development Operations (MDO), New York Public Transit Association, and the New York Council of Nonprofits (NYCON) strongly supports [A.5718b/S.5959b](#), which will make it clear that duly registered 501(c)(3) nonprofit Risk Retention Groups (RRGs) in New York may provide commercial auto insurance for 501(c)(3) nonprofits in our state. **See a list of all signers on page 2.**

Nonprofit carshares are community-focused, membership-based services that provide private access to cars for local trips to people who can't or choose not to buy their own vehicle. Carsharing provides many social and environmental benefits, such as access to more personalized mobility options for people in low- and middle-income neighborhoods, while reducing traffic and carbon emissions.

While there are a few carshares in NYS right now, Ithaca Carshare is currently the only nonprofit. There is a nonprofit carshare in development in Buffalo, and the carshares in Rochester and the Capital Region plan to move to a nonprofit model. **Albany and Rochester carshares have been getting insurance through a temporary measure that will end in 2023, so if this bill doesn't pass, then all small, community-focused carsharing in New York will cease to exist.** All of the carshares in NYS 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 and make electric vehicles accessible to all New Yorkers.

However, due to current interpretation of insurance and traffic laws by New York insurance regulators, **carshares in New York will not be able to secure required automobile insurance beyond 2023, and will all be forced to close.** This is because the two private insurers who have been offering coverage for nonprofit carshares left the market in May, 2023, and the *only insurer ready to write such coverage in NYS — a RRG not domiciled here — is prevented from doing so by New York State insurance regulations.*

This situation is unique to New York State, as federal law allows RRGs domiciled in one state to write automobile insurance in other states.

We support this bill and the amendments made on May 31, 2023, because it would not only help carshares across the state, but all 501(c)(3) nonprofit organizations, who often struggle to secure auto insurance due to their unique risk. This bill will help nonprofit programs that rely on volunteer drivers — and/or serve the elderly, disabled, and children — to secure insurance via a registered and qualified Risk Retention Group.



*Updated June 2, 2023 in light of amendments to the bill on May 31, 2023.
Latest signers to the Memo: Monday, June 5, 2023.

All Signers

The Center for Community Transportation / Ithaca Carshare — Ithaca, NY
New York Council of Nonprofits (NYCON) — Albany, NY
New York Public Transit Association (NYPTA) — Albany, NY
Capital District Transportation Authority (CDTA) — Albany, NY
The New York Sustainable Business Council (NYSBC) — Albany, NY
Environmental Advocates NY — Albany, NY
New York Bicycling Coalition — Albany, NY
Mobility Development Operations — helping carshares in Buffalo, Rochester, and the Capital Region
Reconnected Rochester — Rochester, NY
Shared Mobility, Inc. — Buffalo, NY
GoBike Buffalo — Buffalo, NY
Reddy Bikeshare — Buffalo, NY
Tompkins Consolidated Area Transit, Inc. — Ithaca, NY
GO ITHACA — Ithaca, NY
Cornell University Transportation and Delivery Services — Ithaca, NY
Tompkins County Climate Protection Initiative — Ithaca, NY
Ithaca Bikeshare — Ithaca, NY
Bike Walk Tompkins — Ithaca, NY
Finger Lakes Wealth Management — Ithaca, NY
Ithaca Health Alliance — Ithaca, NY
Sustainable Finger Lakes — Ithaca, NY
Zero Waste Ithaca — Ithaca, NY
Home Green Home — Ithaca, NY
Climate Reality — Finger Lakes Greater Region NY Chapter (covering Finger Lakes & Southern Tier)
White Hawk Ecovillage — Danby, NY
The Dorothy and Marshall M. Reisman Foundation — Onondaga County, NY — Robert R. Falter, Trustee
BluePrint — Geneva, NY — Dr. Jacqueline Augustine, Executive Director
Hanford Mills Museum — East Meredith, NY
Ossining Arts Council — Maryknoll, NY
Govinda Goshala Cow Haven — Belfast, NY
MODArts Dance Collective (MADC) — Harlem, NY
WESPAC Foundation, Inc — White Plains, NY
The Water Mill Center — Water Mill, NY
Shared Use Mobility Center — headquartered in Chicago, IL with offices in Los Angeles, CA



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