



**SENATE STANDING COMMITTEE ON INVESTIGATIONS AND GOVERNMENT
OPERATIONS
SENATE STANDING COMMITTEE ON INSURANCE
SENATE STANDING COMMITTEE ON HOUSING, CONSTRUCTION, AND
COMMUNITY DEVELOPMENT**

NOTICE OF JOINT PUBLIC HEARING

SUBJECT: Cost and Availability of Insurance for Residential Property

PURPOSE: To analyze all aspects of the property/casualty and liability insurance markets for residential properties in New York and to consider legislative and policy changes to promote access and affordability for all property owners and the long-term stability of insurance markets

Date: November 18, 2025

Time: 10:00 AM

Location: 250 Broadway, New York, NY 10007 – 19th Floor Senate Hearing Room

ORAL TESTIMONY BY INVITATION ONLY

Both homeowners and multifamily property operators have reported substantial increases in the cost of insuring their property and, in some cases, have had difficulty obtaining and maintaining insurance coverage. Insurance markets in New York are regulated by the Department of Financial Services (DFS) pursuant to statute, and are intended to provide stable, affordable coverage through diversified risk pools and predictable pricing models, while supporting the state's housing stock through accessible insurance products that enable property ownership and maintenance. Yet the delivery of affordable residential insurance coverage in New York has become, for many property owners, a source of financial strain and uncertainty. Markets designed to protect property owners from routine risks as well as catastrophic losses have become increasingly difficult to navigate.

In many parts of the United States, residential property/casualty insurance markets have undergone dramatic transformation over the past decade, with carriers confronting unprecedented challenges from climate-related disasters, escalating reinsurance costs, and inflationary pressures that have fundamentally altered the risk landscape for both single-family homeowners and multifamily property operators. Since 2010, there has been an increased frequency and severity of weather events, supply chain interruptions affecting the costs of construction and repair, and significant changes in carrier behavior nationally, including market withdrawals and coverage restrictions in some states. Increasingly frequent and severe storms, the recent catastrophic wildfires that devastated Southern California and Hawaii, and the severe flooding that impacted Texas and North Carolina have elevated national attention on property insurance market dynamics, with observers increasingly describing the current environment as presenting fundamental challenges to the industry's long-term viability.

Of course, New York has not been immune from extreme weather events and other climate-driven dangers, which may already be contributing to increasing costs of property/casualty insurance here and are projected to become more frequent and severe. As of 2023, there were more than 1,150 property and casualty insurance companies doing business in New York with total assets of approximately \$2.6 trillion and net premiums of more than \$723 billion. While this market has not yet experienced the levels of distress that have been seen in some other states, it is essential for New York to ensure that property/casualty insurance markets are affordable, accessible, and stable in the years to come.

As with property/casualty insurance, liability coverage plays an important role in protecting and maintaining housing of all types throughout the state, yet many property owners have seen drastic increases in the cost of liability insurance policies in recent years. Lenders generally require property owners to carry these policies, but according to the New York Housing Conference's March 2024 policy brief, multifamily property owners must contend with rising costs for their liability policy premiums even as those more expensive policies now offer decreased coverage, increased deductible thresholds, and more exclusions. Uncontrolled increases in costs, and reduction or elimination of coverage, pose a major threat to the stability of individual properties and to the state's broad efforts to provide safe, accessible, affordable housing for all New Yorkers.

In November 2022, DFS and New York Homes Community Renewal (HCR) conducted a study to examine the increasing costs of insurance premiums and decreasing availability of insurance coverage for multifamily affordable housing, pursuant to Chapter 790, S5231/A5574 (Kavanagh/Cymbrowitz). The report collected stakeholder feedback from affordable housing developers; analyzed the insurance costs and coverage of affordable housing projects within HCR's portfolio; and examined factors that may contribute to the underwriting, rating, and price-setting of premiums of fire and casualty insurance plans. The report found that "insurer inquiries about affordable housing raise legitimate concerns from stakeholders about the potential for unfairly discriminatory results" and the state enacted new laws banning discrimination against affordable housing in insurance premiums and coverage decisions. The larger issues of rising insurance costs remain unresolved and a key burden for affordable as well as market-rate multifamily affordable housing operators and individual homeowners.

Uncovering the Key Cost Drivers of Residential Insurance Policies

The Senate Committees on Investigations and Government Operations; Insurance; and Housing, Construction, and Community Development are working jointly to examine the factors contributing to costs and availability of insurance for residential properties in New York. In August 2025, the Committees launched a formal investigation to request documents and information from DFS, insurance associations, and carriers with targeted questions examining market-related factors behind the reported rise of insurance premium costs. Responses are expected to inform the Committees on the potential link between larger, market- and/or actuarial-based considerations in insurance underwriting and how they may have impacted the pricing of coverage offered for New York property owners and individual homeowners.

Potential Legislative Actions

This hearing will continue the Committees' efforts to examine the causes of rising insurance costs and market behavior of carriers, profitability and general financial solvency, special challenges facing multifamily coverage, regulatory oversight, the market's reaction to climate change, and the interplay between New York's insurance market and national casualty insurance business models. The Committees seek testimony from insurers and insurance regulators, homeowners and multifamily property operators, experts on the risks of climate change and extreme weather, and other relevant experts and stakeholders, with the goal of shedding light on the challenges identified above and identifying any appropriate legislative and policy changes that the state should consider.

Persons wishing to present pertinent testimony to the Committees at the above hearing should complete and return the enclosed reply form as soon as possible. It is important that the reply form be fully completed and returned so that persons may be notified in the event of emergency postponement or cancellation.

Oral testimony will be limited to five minutes duration. Ten copies of any prepared testimony should be submitted at the hearing registration desk. The Committees would appreciate advance receipt of prepared statements.

Attendees and participants at any legislative public hearing should be aware that these proceedings are video recorded. Their likenesses may be included in any video coverage shown on television or the internet.

In order to meet the needs of those who may have a disability, the Committees, in accordance with their policy of non-discrimination on the basis of disability, as well as the 1990 Americans with Disabilities Act (ADA), have made their facilities and services available to all individuals with disabilities. For individuals with disabilities, accommodations will be provided, upon reasonable request, to afford such individuals access and admission to State Legislature facilities and activities.



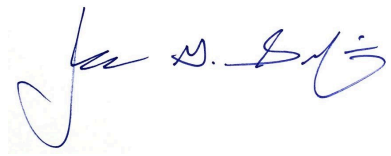
Senator Jamaal Bailey

**Chair, Committee on
Insurance**



Senator Brian Kavanagh

**Chair, Committee on Housing,
Construction, and Community
Renewal**



Senator James Skoufis

**Chair, Committee on
Investigations and
Government Operations**