



Legislation Text

File #: Res 0867-2023, **Version:** *

Res. No. 867

Resolution calling on the New York State Legislature to pass, and the Governor to sign, A.7910/S.7298 to prohibit insurance discrimination because of the affordability of residential buildings and residential construction projects.

Council Members Velázquez and Bottcher

Whereas, On November 22, 2022, the New York State Department of Financial Services (“DFS”) and the New York State Homes and Community Renewal (“HCR”) conducted a comprehensive study (“the study”) to examine the rising costs of insurance premiums and the decreasing availability of insurance coverage for affordable housing developments; and

Whereas, The study collected stakeholder feedback and examined factors that contribute to underwriting, rating, and pricing, analyzed insurance costs and coverage of affordable housing projects within HCRs portfolio; and

Whereas, Under the New York State Insurance Law, insurers may consider underwriting and rating factors that could cause potential losses, in order to adequately set rates; and

Whereas, The study revealed that insurance companies often asked housing developers if their buildings had affordable, subsidized or section 8 units, when making underwriting or rating determinations; and

Whereas, The New York State Insurance Law explicitly prohibits the use of certain factors in underwriting and rating, such as race, color, creed, national origin, disability, and marital status but it does not explicitly prohibit insurance companies from asking if a property has affordable housing; and

Whereas, These insurer inquiries about affordable housing, during the determination period, raise concerns from stakeholders about potential discriminatory results due to such actions; and

Whereas, A.7910, introduced by Assembly Member Liz Krueger and pending in the New York State Assembly, and companion bill S.7298, introduced by State Senator Brian Kavanagh and pending in the New York State Senate would ensure that affordable housing is not subject to discrimination in purchasing and retaining insurance; now, therefore, be it

Resolved, That the Council of the City of New York calls upon the New York State Legislature to pass, and the Governor to sign, A.7910/S.7298 to prohibit insurance discrimination because of the affordability of residential buildings and residential construction projects.

JLC
LS 14132
10/31/2023