STATE OF NEW YORK

9279--A

2025-2026 Regular Sessions

IN ASSEMBLY

November 21, 2025

Introduced by M. of A. KELLES, REYES, LUCAS, GALLAGHER, ROMERO, FORREST -- read once and referred to the Committee on Insurance -- recommitted to the Committee on Insurance in accordance with Assembly Rule 3, sec. 2 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the insurance law, in relation to enacting the "climate accountability and loss recovery act"

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Short title. This act shall be known and may be cited as the "climate accountability and loss recovery act".

§ 2. The insurance law is amended by adding a new section 3463 to read as follows:

§ 3463. Recovery for climate disaster losses; attorney general enforcement. (a) For the purposes of this section the following terms have the following meanings:

(1) "Climate disaster" means any event including fire, flood, hurricane, tornado, landslide, mudslide, wind, storm, wave action, wind-driven water, tidal wave, air contamination, blight, drought, infestation, explosion, nuclear, chemical, biological, or bacteriological release, water contamination, bridge failure or bridge collapse, or any event designated in a state declaration of disaster emergency pursuant to section twenty-eight of the executive law or a local state of emergency pursuant to section twenty-four of the executive law, provided that climate change was a substantial factor in the event's frequency, severity, location, timing, or extent.

(2) "Fossil fuel product" includes the following:

(A) coal, as defined in section 1-103 of the energy law;

(B) fossil fuel, as defined in section 1-103 of the energy law;

(C) fuel gases, as defined in section 1-103 of the energy law; and

(D) petroleum products, as defined in section 1-103 of the energy law.

EXPLANATION--Matter in italics (underscored) is new; matter in brackets [-] is old law to be omitted.

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(3) "Covered entity" means any person, firm, corporation, company, partnership, society, joint stock company, entity, or association that meets all of the following criteria:

(A) has an aggregate market capitalization or worldwide annual revenue across the parent entity and all affiliated entities of at least five hundred million dollars ($500,000,000), determined by an average capitalization or revenue over the preceding three years. For purposes of this subparagraph, "affiliated entities" means a parent or subsidiary corporation as well as any other business entity under common ownership or control with the parent entity, including an entity consolidated for financial reporting purposes, or to enhance profitability for the parent entity;

(B) engaged in the extraction, production, manufacture, or sale at wholesale of fossil fuel products; and

(C) did business in the state, was registered to do business in the state, was appointed an agent of the state, or otherwise had sufficient contacts with the state to be subject to the state's jurisdiction.

"Covered entity" does not include the federal government, any tribal government, the state, a political subdivision of the tribal or state government, or an employee of the federal, tribal, or state government, on the basis of acts or omissions in the course of official duties.

(4) "Market disruption" means a material impairment to the availability, affordability, or stability of the property and casualty insurance market that is attributable to losses or projected losses arising from a climate disaster, including but not limited to:

(A) the withdrawal, nonrenewal, or substantial reduction in underwriting by insurers or reinsurers;

(B) the imposition of assessments, surcharges, or premium increases related to insurance losses or projected insurance losses resulting from climate disasters;

(C) a material increase in the number of properties covered by the residual market, excess and surplus line markets, or the New York property insurance underwriting association; or

(D) the incurrence of public costs or taxpayer-supported expenditures to stabilize, backstop, or replace private insurance capacity.

A market disruption may exist notwithstanding that individual insurers remain solvent or that insurance coverage continues to be available on a limited, excess, or non-admittance basis.

(b)(1) The attorney general may bring a civil action in the name of the people of the state of New York against any covered entity for any of the following:

(A) recovery of an assessment imposed on member insurers of the New York property insurance underwriting association pursuant to section five thousand four hundred twelve of this chapter, to the extent that the association imposed the assessment to cover the association's expenses or losses arising from a climate disaster.

(B) recovery of each surcharge or premium increase imposed on policyholders or insureds in the admitted, residual, excess, or surplus market, when the surcharge or increase is based on an actual or projected loss arising from a climate disaster, or to reflect priced-in risk of a climate disaster.

(C) recovery of costs and losses incurred by policyholders or insureds when the costs and losses (i) arise from a climate disaster; and (ii) are transferred, pooled, assessed, or publicly backstopped through a residual market mechanism to address insurer insolvency, market withdrawal, or the availability of property and casualty insurance coverage in this state, provided however that this subparagraph shall not authorize the attorney general to recover damages on behalf of any person who is not a policyholder or insured, or to recover amounts exceeding the applicable limits of the insurance coverage held by a policyholder or insured for a loss.

(2) In any civil action against a covered entity under this section the attorney general may recover or obtain any of the following:

(A) all damages arising from a climate disaster.

(B) reasonable costs and disbursements incurred by the attorney general.

(C) any other relief that the court or jury deems proper.

(3) Any covered entity shall be strictly liable, without regard to fault, for any damages or other relief afforded under this section.

(4) In any action under this section, the court shall offset any damages by amounts already reimbursed in claims arising from the same case or controversy. The attorney general shall require each claimant seeking damages to certify, under penalty of perjury, any amounts received from an insured or the New York property insurance underwriting association, including pursuant to section five thousand four hundred ten of this chapter, for the same loss.

§ 3. Subsection (a) of section 2304 of the insurance law is amended to read as follows:

(a) In the making of rates, consideration shall be given to past and prospective loss experience, including the conflagration and catastrophe hazards, if any, both within and without this state, to all factors reasonably attributable to the class of risks, to a reasonable profit, to past and prospective expenses both country-wide and those specially applicable to this state, any proceeds recovered by a claim pursuant to section three thousand four hundred sixty-three of this chapter, and in the case of participating insurers to policyholders' dividends, savings or unabsorbed premium deposits allowed or returned to policyholders, members or subscribers.

§ 4. Severability clause. If any clause, sentence, paragraph, subdivision, section or part of this act shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section or part thereof directly involved in the controversy in which such judgment shall have been rendered. It is hereby declared to be the intent of the legislature that this act would have been enacted even if such invalid provisions had not been included herein.

§ 5. This act shall take effect on the ninetieth day after it shall have become a law.