



NEW YORK STATE SENATOR

Shelley B. Mayer

## Governor Signs Bill Sponsored by Senator Shelley Mayer to Authorize Business Interruption Insurance

SHELLEY B. MAYER October 14, 2024

| ISSUE: **BUSINESS INTERRUPTION INSURANCE**

**ALBANY, NY** – Governor Kathy Hochul signed legislation by Senator Shelley B. Mayer and former Assembly Member Kenny Burgos ([S.9481/A.10342](#)) to authorize insurance providers to offer stand-alone business interruption insurance that does not require physical damage to the property.

Before this legislation, business interruption insurance typically only covered loss of net profits when a peril causes direct physical loss of or damage to insured property, causing the business to close or face a reduction in business. During the COVID-19 pandemic, many businesses were forced to close in compliance with public health measures. However, because the businesses or properties did not suffer physical damage, these businesses could not take advantage of their insurance policies.

By signing this legislation into law, business interruption insurance will be an authorized kind of insurance that does not require physical property damage and which can be purchased in the event of future pandemics or other events that may result in loss of business without physical damage.

**State Senator Shelley B. Mayer said,** “I am pleased that my bill to authorize insurance companies to offer business interruption insurance without physical damage to property has been signed into law by Governor Hochul. As we saw during the COVID-19 pandemic, many businesses struggled due to limitations on their insurance coverage. This legislation will ensure we are providing the necessary support to businesses, particularly small family owned businesses, during times when they suffer loss, but not physical damage to their property. I want to thank former Assembly Member Burgos for sponsoring this legislation in the Assembly and Governor Kathy Hochul for signing it into law.”

This bill will go into effect on October 27, 2024.

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#### RELATED LEGISLATION

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## 2023-S9481

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- Introduced
- - In Committee Assembly
  - In Committee Senate
- - On Floor Calendar Assembly
  - On Floor Calendar Senate

- ○ Passed Assembly
  - Passed Senate
- Delivered to Governor
- Signed By Governor
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Relates to business interruption insurance

May 16, 2024

Senate Floor Calendar

Sponsored by [Shelley B. Mayer](#)

Do you support this bill?