



NEW YORK STATE SENATOR

Martin J. Golden

## GOVERNOR CUOMO SIGNS LEGISLATION TO SUPPORT HOMEOWNERS IMPACTED BY SUPERSTORM SANDY

MARTIN J. GOLDEN October 29, 2015

Governor Andrew M. Cuomo today signed two pieces of legislation relating to Superstorm Sandy and extreme weather. The first bill is designed to reform the insurance industry in New York State with regard to claims involving sewer issues and flooding, and the second supports New Yorkers who made repairs to their homes after Sandy.

“In the three years after Hurricane Sandy, we have continued to rebuild New York in a way that is smarter, stronger and more resilient in the face of the increasing threat of extreme weather,” said Governor Cuomo. “These two bills do exactly that, by both supporting homeowners who are building back from the damage they experienced, and by making sure that insurance companies support those who are impacted. “

The first bill signed by Governor Cuomo is A. 453 / S. 1454, which pertains to “anti-concurrent causation” clauses in relation to homeowner’s insurance coverage for sewer backups. These clauses have been used to deny coverage whenever an excluded peril (such as flooding) directly or indirectly causes loss or damage, even if a covered peril contributed concurrently or in any sequence to cause the loss or damage.

Following Superstorm Sandy, many homeowner’s sewer backup claims were denied by their insurance companies using anti-concurrent causation clauses. In those cases, even when

sewer backup occurred when systems were shut off before the storm's arrival, insurance companies claimed that by the time adjusters could inspect the loss or damage, flooding had also occurred. Therefore, insurance companies denied the claims, asserting that loss or damage caused by sewer backup could not be distinguished from loss or damage caused by flooding.

This new law requires the Department of Financial Services to examine and make recommendations concerning the treatment of these clauses in relation to homeowner's insurance coverage for sewer backup. The Superintendent of DFS must also submit a report to the Governor and the Legislature by January 1, 2017.

**Senator Martin Golden**, who sponsored S. 1454, said: "We all know that despite the fact that sewer backup insurance is very expensive, it does not allow for all claims. On this anniversary of Super Storm Sandy, I thank Governor Andrew Cuomo for signing this bill which will rightly afford more homeowners the chance to file insurance claims when they suffer losses. We have changed the law so that New Yorkers can now recover some of the financial loss they endure in the event of such an incident."

Governor Cuomo also signed A.7156 / S.5800, which will authorize Nassau County to adopt tax relief that would mitigate the cost of increased assessments.

In the aftermath of Superstorm Sandy, many homeowners engaged in extensive repair or reconstruction of their homes to repair damage. As a result of these repairs, assessments for many of these homeowners have increased substantially – even if the homeowners only restored their buildings to the condition existing prior to the storm.

The new law will provide tax abatements to offset assessment increases attributable to the storm. Additionally, local assessors would be prohibited from considering storm-related construction when determining taxable assessed value through 2020. The bill would take

effect immediately.

---

#### RELATED LEGISLATION

---

## 2015-S1454

---

- 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
- 

Relates to directing an examination concerning homeowners insurance coverage for sewer backup

January 12, 2015

Senate Floor Calendar

Sponsored by **Martin J. Golden**

---

## 2015-S5800

---

- 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
  
- 

Relates to an assessment of real property damaged by the severe storm that occurred on the twenty-ninth and thirtieth of October, two thousand twelve in a special assessing unit that is not a city

June 03, 2015

Senate Floor Calendar

Sponsored by [Michael Venditto](#)

Do you support this bill?