



NEW YORK STATE SENATOR

Lea Webb

## Senator Webb, Assemblymember Kelles, Advocates, and Community Members Call on the Governor to Sign the Ithaca Carshare Bill

LEA WEBB August 6, 2023

| ISSUE: **IMPROVING TRANSPORTATION**



Ithaca Carshare paused operations on May 19 and faces permanent closure unless Governor Hochul signs S5959b/A5718b into law.

New York State Energy Research and Development Authority (NYSERDA) has invested \$3 million so far in carsharing in New York, with millions more planned over the next two years to expand nonprofit carshares, but none of this will be achieved and carshares will close down if they can't get auto insurance.

**ITHACA, NY** - On Sunday, Senator Lea Webb, Assemblymember Anna Kelles, local elected officials, advocates, and community members held a press conference on the Ithaca Commons urging Governor Hochul to sign the Ithaca Carshare bill ([S5959B/A5718B](#)) as written, warning that further delays or amendments would result in permanent closure for the non-profit. Ithaca Carshare, a membership-based carsharing service that has served the community for 15 years, paused operations on May 19, leaving more than 1500 local members without 24/7 access to 30 vehicles for their transportation needs.

Earlier this week, **Jennifer Dotson, Executive Director of the Center for Community Transportation**, of which Ithaca Carshare is a part, sounded the alarm, “We’ll have to start selling off our fleet if Governor Hochul doesn’t sign the bill as it is written now,” she said. “We can’t last much longer, as every day we lose much-needed revenue.”

In the same press release, **Ithaca Carshare Director Liz Field**, urged the Governor to consider the impact of delays on the local workforce and the community. “The bill imposes a 6-month wait time before it goes into effect, so we implore the governor to sign it immediately,” said Field. “Every day that passes without her signature is another day our staff are furloughed and members who rely on carshare can’t meet their transportation needs. We don’t understand what the hold up is at this point.”

**Said Senator Lea Webb**, “Ithaca Carshare provides critical access to transportation for my constituents, many of whom can’t afford to buy a car or choose to not to in order to cut down on their carbon footprint. I urge Governor Hochul to act swiftly and sign the Ithaca Carshare bill. The pause in operations has been difficult for Ithaca Carshare staff who have been furloughed and for community members who rely on their services. Ithaca Carshare has served the City of Ithaca and its surrounding communities for over 15 years, providing an equitable and sustainable means of transportation to over 1500 Ithacans who utilize the service and who eagerly await its return.”

**Said Assemblymember Anna Kelles,** “Transportation continues to be one of the greatest contributors of greenhouse gas emissions. One of the solutions to combating transportation’s impact on climate change, identified by NYSERDA, is community carsharing and the electrification of carshare fleets. To keep carshares as viable transportation options, they need the ability to secure car insurance. The proposed solution from the Governor would not solve the insurance issue, and Ithaca Carshare announced that they are at imminent risk of closing. The governor must sign the bill that was passed by both the Assembly and Senate in June. We all must be part of climate solutions. We need to ensure this critical transportation option remains available for community members who rely on carshare for basic needs like getting to the grocery store and doctor’s appointments.”

**Said City of Ithaca, Acting Mayor Ducson Nguyen:** “It’s impossible to overstate the importance of Ithaca Carshare to our community. When the service was in operation you’d regularly see their vehicles at places ranging from grocery stores to Christmas tree farms throughout the county. So many of our residents, myself included, rely on Ithaca Carshare to reduce their living expenses and lower their carbon footprint. The City of Ithaca partners with Ithaca Carshare because it improves our residents’ quality of life and cuts the amount of space devoted to car storage. NYSERDA has also endorsed Carshare’s mission with last year’s Electric Mobility Challenge grant that funds the purchase of EVs to be located in marginalized communities. We need the Governor’s support to avoid losing such vital resources.”

“Time is of the essence. Ithaca Carshare, an established leader in carshare service, has been shuttered since May 19th,” **said Tompkins County Legislator Anne Koreman.** “Even if the Governor Hochul signs this bill today, which I hope she does, there is a 6 month waiting period before it goes into effect. Senator Webb and Assemblymember Kelles’ bill quickly passed the NYS Senate and Assembly. Their bill allows insurance groups from out of state to

provide nonprofit organizations, such as Ithaca Carshare, insurance so they can restart their carshare service for residents of the Ithaca and Tompkins County area. I, with my colleagues at the Tompkins County Legislature, call on Governor Hochul to immediately sign this bill so reliable, affordable, and equitable transportation is again available to our residents as soon as possible.”

**Said Alderperson Robert Gesualdo Cantemo**, "Carshare provides an innovative and accessible tool for local transportation in Ithaca. The tireless work of our community, championed by Senator Webb and Assemblymember Kelles, ensured that the NYS Legislature unanimously voted to extend insurance coverage to Carshare and similar nonprofit groups around the State. Now, we only need Governor Hochul to sign A.5718b/S.05959b into law. I know the Governor to be a strong leader on climate and municipal affordability. I am asking her to sign this bill into law immediately, so Carshare can resume operations and continue to deliver alternative transportation options to the thousands of members served in our community."

“Ithaca Carshare has an exemplary business plan that benefits the community,” **said Gary Stewart, Associate Vice President for Community Relations, Cornell University**. “Residents of our community have the benefit of sharing cars for their vital transportation needs while saving money and reducing overall emissions and traffic. Cornell University is both proud and grateful to be a Carshare partner and collaborator.”

"Non-profits across the state, including Ithaca Carshare, offer critical transportation safety net services to our communities,” **explained Fernando de Aragón, director of the Ithaca-Tompkins County Transportation Council**. “Everything from transporting elderly to get groceries to taking vets to medical appointments. All these programs struggle to secure vehicle insurance and many efforts are not implemented for that same reason. Bill S5959b/A5718b will help non-profits expand their provision of transportation services

critical to the most vulnerable members of our community."

**Background:**

Webb and Kelles's bill passed unanimously through the New York State Legislature in June ( [S5959B/A5718B](#)). This bill allows nonprofit organizations like Ithaca Carshare to get auto insurance from a nonprofit Risk Retention Group, as is allowed by federal law, solving a long-standing auto insurance market failure for nonprofits. It now awaits the Governor's signature.

Nonprofit carsharing helps Governor Hochul meet her stated climate and equity goals by reducing traffic congestion and carbon emissions. According to a Cornell study from 2013, each carshare vehicle replaces up to 15.3 vehicles on the road, easing burdens on transportation infrastructure and the associated costs. Additionally, carshares provide access to private mobility options for people in low-income neighborhoods and offer grant-funded programs that enable low-income individuals to use the service.

**Ithaca Carshare does not rely on public funds for its general operating budget.** Membership and usage fees pay for the service, vehicles, fuel, insurance, repairs, and maintenance. Grants help pay for conversion to electric vehicles and supporting equitable access to carsharing.

In order to reduce carbon emissions in our state and equitably tackle climate change, the New York State Energy Research and Development Authority (NYSERDA) has invested \$3 million so far in carsharing in New York, with millions more planned over the next two years to expand nonprofit carshares, but *none of this will be achieved and carshares will close down if they can't get auto insurance.*

More information here: <https://www.ithacacarshare.org/insurance-updates/>

## 2023-S5959B

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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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Authorizes certain policies issued by a risk retention group not chartered in this state

March 23, 2023

Signed by Governor

Sponsored by **Lea Webb**

Do you support this bill?

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