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RMS End of Week Update 4/17/2026



Budget Negotiations Continue with Limited Progress

State lawmakers approved a fourth budget extender this week which runs through April 20th, with another expected, as negotiations continue beyond the statutory deadline. While the leadership in both house and the Governor have pointed to “slow and steady progress,” a number of major policy issues remain unresolved.

The key outstanding issues include:

- Auto insurance reform
- Climate and carbon reduction mandates
- Environmental review (SEQRA) reforms
- Immigration policy
- Tax proposals (Personal, Corporate the PTET)

The legislature will be back in Albany April 20th, and we will continue to keep you updated as the budget process moves forward.

For more information please click [here](#).

Auto Insurance Reform Debate Intensifies Amid Political Pressure And Campaign Contributions

Governor Hochul’s proposal to overhaul New York’s auto insurance system remains a contentious issue in budget negotiations. The plan seeks to limit litigation costs tied to accident claims, with the goal of reducing premiums, though insurers have not committed to passing savings on to consumers.

The debate has evolved into a broader political conflict involving trial lawyers, insurance companies, and rideshare firms. Each of which have significant financial interests in the outcome. Increasingly, attention has turned to campaign contributions and their potential influence on policymaking.

Campaign Contribution Dynamics:

- **State Senate Democrats**

Trial lawyer groups, including LAW PAC and the Academy of Trial Lawyers PAC, have contributed approximately \$363,600 to Senate Democratic campaign committees since the start of last year. In comparison, insurance industry groups including major carriers such as GEICO, Allstate, Travelers, and others, have contributed roughly \$71,000 to those same committees.

- **State Assembly Democrats**

The Trial lawyer organizations have contributed about \$218,600 to Assembly Democratic campaign committees. While the insurance related entities have provided approximately \$66,500 to those committees.

- **Governor Hochul**

The Governor has not received contributions from trial lawyer PACs tied to this issue but has received approximately \$94,000 from insurance industry groups. Additionally, the Uber CEO contributed \$20,000 since last year (and \$28,000 prior), making Hochul the only state official to receive donations from him.

The above contribution patterns have fueled competing narratives. The Governor has suggested legislative Democrats are aligned with trial lawyer interests, while lawmakers have pointed to the Governor's ties to insurers and rideshare companies. All parties deny that campaign funding is influencing policy decisions, but the issue has added another layer of complexity to already difficult negotiations according to several press reports.

With talks currently stalled, auto insurance reform remains one of the most significant barriers to a final budget agreement.

For more information please click [here](#).

The Governor Supports “Pied-À-Terre” Tax To Address NYC Budget Gap

Governor Kathy Hochul this week renewed focus on stabilizing New York City's finances as part of ongoing state budget negotiations, emphasizing the city's critical role in the broader state and national economy.

To help close the city's budget gap, the Governor has proposed a targeted surcharge on high-value second homes—commonly referred to as “pied-à-terre” properties—valued

above \$5 million. The proposal would apply only to non-primary residences that are not rented to full-time tenants, many of which remain vacant for much of the year.

The administration has already committed \$1.5 billion in budget support to New York City, alongside a \$1.2 billion investment in universal childcare. At the same time, the Governor has made clear that broader tax increases, including income and corporate taxes, are off the table, as are measures that would reduce essential services or increase costs for residents.

City officials have identified initial cost-saving measures, but additional steps will likely be required as the NYC May 1st budget deadline for NYC approaches.

“New York City is the greatest city in the world, and the people who call it home should not be left carrying the burden alone,” Governor Hochul said. “As Governor, I understand the importance of stabilizing the city’s finances without compromising on essential services New Yorkers count on. If you can afford a \$5 million second home that sits empty most of the year, you can afford to contribute like every other New Yorker.”

To view the full press release please click [here](#).

Immigration Package Nears Agreement, But Key Dispute Remains

Negotiations on an expanded immigrant protections package have made notable progress, with the Governor and legislative leaders aligning on several key provisions.

The areas of agreement include:

- Banning local cooperation agreements with federal immigration authorities (287(g))
- Restricting immigration enforcement activity in sensitive locations such as schools, libraries, and youth centers
- Prohibiting the use of public resources for federal immigration enforcement
- Considering limits on law enforcement use of masks to conceal identity

However, a major unresolved issue is whether local authorities should be permitted to coordinate with federal immigration officials based on probable cause prior to a conviction. Legislative leaders and advocates have raised concerns that such a standard could undermine due process and lead to discriminatory enforcement. This disagreement may ultimately determine the timeline for finalizing the broader package.

For more information please click [here](#).

To view the Governors press release please click [here](#).

Helpful Links and Resources

[RMS Budget One House Revenue and Tax Table](#)

RMS Health/Mental Hygiene One House Budget Table

Assembly Yellow Book

Senate Blue Book

FY 27 Senate Finance Economic and Revenue Report

FY27 Assembly Ways & Means Economic and Revenue Report

Empire State Development Tariff Resource Guide

NYS COVID-19 Monitoring Dashboard

NYS COVID-19 Fatalities Tracker

Eliminating Distractions In Schools Resource

Center for Disease Control and Prevention

Department of Financial Services information and resources

New York COVID-19 Vaccine Information Page

Department of Health

<https://coronavirus.health.ny.gov/home>

COVID-19 Guidance for Medicaid Providers

Office of Mental Health

<https://omh.ny.gov/omhweb/covid-19-resources.html>

OPWDD

<https://opwdd.ny.gov/coronavirus-guidance>

State Education Department

<http://www.op.nysed.gov/COVID-19.html>

NYS Department of Labor

<https://dol.ny.gov/>