

Supplemental Spousal Liability Insurance and Your Auto Insurance Policy

What is supplemental spousal liability insurance?

New York law requires every automobile insurance policy sold in the state to provide liability coverage. This coverage insures you if another person accuses you of injuring them or damaging their property. It pays for the cost of your legal defense and any damages you may owe to that person because of a court verdict or out of court settlement, up to the amount of insurance you purchased.

Supplemental spousal liability is coverage that applies when you are injured in a crash where your spouse was driving and at fault. With supplemental spousal liability coverage, you are able to collect compensation from your own insurance company due to your spouse's responsibility for the car crash.

What does this have to do with me? I don't remember asking to buy it.

Beginning in 2002, you would need to request that spousal liability insurance be added to your coverage. In 2022, the Legislature passed a new bill that reverses the procedure. Effective August 1st, 2023, until July 2027, supplemental spousal liability coverage is automatically included unless you opt out in writing. The new requirement applies to any auto insurance policy issued, renewed, or changed on or after that date. For example, the charge for the coverage will be added to your premium, when your policy renews or if you make a change to your policy such as adding or removing a vehicle from it.

I'm not married. Why is this automatically going into my policy?

The law, as written, does not make an exception for unmarried individuals. You must take the step of asking the insurance company to remove the coverage.

My policy is in the name of a business. Businesses don't get married. Why is it in my policy?

It is true that business auto insurance policies insure businesses, but they also insure individual people using the business's vehicles with permission. Supplemental spousal liability insurance could apply, for example, if a business provides company cars to some employees and some of those employees have spouses.

How much does this cost?

The amount of the premium charge will vary from one insurance company to another. However, the charge for this coverage is typically small. Feel free to ask us what the companies we represent are charging for this coverage.

I don't want Supplemental Spousal Liability Insurance. What do I have to do to get it off my bill?

This may vary from one insurance company to another but start by contacting us. Some of the companies we represent may provide a simple form for you to sign and that we will transmit to the company for you. Others may offer a way to do it electronically without having to go through us. Every company has a slightly different way of doing things.

PLEASE CONTACT THIS OFFICE IF YOU HAVE ANY OTHER QUESTIONS ABOUT THIS OR
YOUR OTHER AUTO INSURANCE COVERAGES.