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BUSINESS AND CIVIC LEADERS LAUNCH STATEWIDE 'BUILD MORE NEW YORK' COALITION TO SUPPORT JOBS, CONSTRUCTION & DEVELOPMENT BY REFORMING ANTIQUATED SCAFFOLD LAW

Nearly 50 groups seek to reform the only-in-New York Scaffold Law, which leads to skyrocketing construction costs while doing nothing to improve worker safety – a key hurdle to building housing and key infrastructure statewide

Representative Nick Langworthy's Infrastructure Expansion Act would preempt Scaffold Law and apply the liability standards used in every other state, saving taxpayers money and helping projects move forward

NEW YORK (September 4, 2025) - Nearly 50 business and civic organizations today announced the formation of the Build More New York coalition to support jobs, construction and development across the state by reforming the outdated Scaffold Law. Build More New York is rallying around Rep. Nick Langworthy's Infrastructure Expansion Act, which will preempt the Scaffold Law for federally funded projects and promote the development of critical infrastructure such as housing, roads, bridges, tunnels and schools that support jobs and New York's economy.

New York is the only state in the country that imposes an absolute liability standard on property owners and contractors for gravity-related injuries at construction sites, a prohibitive policy that increases overall construction costs by ten percent according to a 2021 report by the Building Trades Employers Association (BTEA). The law has driven insurers out of the market, reduced competition, and raised premiums, making it even harder to develop housing and other essential infrastructure projects in an already challenging environment. The Infrastructure Expansion Act, introduced by Representative Langworthy as H.R. 3548, offers a targeted solution by ensuring that projects in New York use the same liability standard as in every other state. This would remove outdated regulatory barriers dating from 1885 that drive up construction costs, hinder housing and infrastructure development, and limit opportunities for economic growth across the state.

"Every union contractor in New York will tell you the same thing: the Scaffold Law is crushing their businesses by driving insurance costs to the highest in the nation," said **Elizabeth Crowley, President of Building Trades Employers Association**. "Congressman Langworthy's bill is a lifeline — it will finally level the playing field, protect good-paying union jobs, and free up resources to build the projects New Yorkers urgently need, all while saving taxpayers millions."

"New York State's Scaffold Law drives construction costs upward by imposing the nation's most aggressive liability standard. This law makes building new homes, factories, and businesses less attainable, said **Josh Veronica, Director of Government Affairs at the Buffalo Niagara Partnership**. "Because state government has not yet addressed this problem, federal action is needed. The BNP thanks Rep. Langworthy for his efforts to alleviate construction costs and grow our regional economy."

"AGC NYS is proud to stand with the "Build More New York" coalition in its mission to address the Scaffold Law. For too long, this outdated law has fueled New York's affordability crisis—every New Yorker has been paying to enrich unscrupulous personal injury trial lawyers at the expense of rebuilding schools, hospitals, roads, bridges, affordable housing, and environmental infrastructure. It is time for justice and fairness—and time for this to end. We applaud Congressman Langworthy's dedication to the fight to eliminate the Scaffold Law's absolute liability standard. Everyone deserves justice—injured workers, as well as contractors and owners," said Mike Elmendorf, President and CEO of the Associated General Contractors of New York State (AGC NYS), New York's leading statewide construction industry organization.

"The New York State Economic Development Council strongly supports HR3548 and is proud to be a member of the ;Build More New York' Coalition," said **Ryan Silva, Executive Director, New York State Economic**

Development Council (NYSEDC). "New York remains one of the most regulated states in the country which drives up costs and limits new private sector development. This common sense legislation addresses the outdated Scaffold Law and ensures federal dollars are leveraged most effectively to build roads, hospitals, bridges, energy infrastructure, and new affordable housing. We thank Congressman Langworthy for his leadership and ask Congress to pass this bill quickly."

"As the largest business membership organization in Westchester County, the Business Council of Westchester (BCW), reforming the Scaffold Law continues to be one of our top legislative priorities," said **John Ravitz, Executive Vice President of the Business Council of Westchester**. "The reform of this outdated law would assist the state's economy and free up millions of dollars in state and municipal budgets, save hundreds of millions in infrastructure costs and release an estimated two hundred million dollars a year into the education budgets across the state."

"This commonsense legislation replaces outdated absolute liability rules with a fair and modern comparative negligence standard for federally assisted construction projects. This long-overdue reform will help reduce fraud, lower insurance premiums, and establish a more balanced legal framework for both builders and workers. Escalating insurance costs threaten the viability of construction projects, drive up consumer costs, and delay critical development needed to address housing and infrastructure demands. This legislation is a necessary step toward restoring fairness and long-term sustainability in construction-related liability policies. We commend Congressman Langworthy for his leadership on this important issue and urge swift passage of this vital legislation," said Mike Fazio, Executive Vice President, New York State Builders Association.

"New York is the only state still bound by the outdated Scaffold Law - a 19th-century statute that drives up costs, fuels fraud, and diminishes the value of taxpayer-funded infrastructure investment," said **Ron Epstein, President & CEO, New York Construction Materials Association**. "H.R. 3548, the Infrastructure Expansion Act of 2025, delivers the long-overdue reform needed to restore fairness, strengthen insurance competition, and ensure federal dollars go toward building projects - not litigation. We applaud Congressman Langworthy for his leadership and urge Congress to pass this measure and codify its provisions in the upcoming surface transportation reauthorization bill."

"The Queens & Bronx Building Association strongly supports the Infrastructure Expansion Act of 2025 (H.R. 3548)," said **Scott Fradenburg, President, The Queens & Bronx Building Association**. "New York's Scaffold Law, with its absolute liability provision, is a driving force behind inflated construction costs, adding up to 10% to project expenses. This outdated law not only makes building projects more expensive but also enables abuse, as recent investigations have exposed widespread fraud through false injury claims and fabricated medical records. The Infrastructure Expansion Act will help curb these practices while ensuring a fairer, more balanced approach to worker protection. By addressing the core issues of fraud and excessive costs, this bill will foster a more transparent and cost-effective construction industry in New York."

"The Long Island Builders Institute supports H.R. 3548, the Infrastructure Expansion Act of 2025, introduced by Representative Nick Langworthy," said **Mike Florio, CEO, Long Island Builders Institute**. "By replacing absolute liability with a fair comparative negligence standard, this legislation will reduce legal risk, promote investment, and strengthen vital infrastructure projects in our region and nationwide."

"The Empire State Chapter of Associated Builders & Contractors is grateful for the leadership of Congressman Langworthy on this critical issue. For too long, New York taxpayers and contractors have been exposed to higher costs of construction because our elected officials didn't have the courage to take on special interests and an antiquated law. Thankfully, Congressman Langworthy heard our pleas and is taking action. We look forward to working with him to get this badly needed legislation passed so we can drive down the cost of construction in New York," said **Brian Sampson**, **President**, **Empire State Chapter of the Associated Builders & Contractors**.

"New York is the sole remaining state that has been laboring under an antiquated law that has led to insurers fleeing the state and driving up the cost of everything from home construction to infrastructure," said **Michael Murphy, President of the Building & Realty Institute of Westchester.** "At a time when insurance costs across the country are exploding, our already-high costs due to the Scaffold Law put us at an enormous disadvantage and threaten our ability to address the housing shortage and improve our infrastructure. This is an emergency -- and we're proud to stand with the 'Build More New York' coalition to get this decades-long problem solved once and for all."

"New York's Scaffold Law is an outdated and costly statute that uniquely imposes absolute liability on property owners and contractors for elevation-related injuries, even when a worker's own negligence caused or contributed to the accident," said **Christopher A. Koetzle, Executive Director, New York Association of Towns.** "Reform is not about reducing safety standards; it is about restoring fairness, controlling unsustainable insurance costs, and redirecting critical resources into infrastructure, housing, and schools. NYAOT is proud to be part of this broad coalition that supports modernizing the scaffold law so that together we can build a stronger, safer, and more affordable New York for all."

"On behalf of the heavy civil public works contractors here in New York, I want to thank Congressman Langworthy for taking the initiative on this issue," said **Robert G. Wessels, Executive Director of the General Contractors Association of New York (GCA).** "New York is the sole state in the union with such an antiquated law -- a holdover from 1885 – that unnecessarily increases the cost of infrastructure projects in our State by 5-10% from general liability insurance premiums, diminishing the benefit of the billions of dollars of federal, state, and local infrastructure investments. Mr. Langworthy's proposal could save New Yorkers \$2 billion over the next ten years that could instead be spent on real improvements to our essential infrastructure, while creating thousands of solid middle-class construction jobs in the process."

"As the only state in the nation with this outdated standard, the Scaffold Law is driving up costs and stifling growth across New York by making insurance unaffordable," said **Jim Whelan, President, The Real Estate Board of New York**. "Congressman Langworthy's bill offers real relief that will lower expenses, open the door to more housing and infrastructure, and deliver savings for taxpayers while keeping workers safe."

The National Electrical Contractors Association (NECA) strongly supports the Infrastructure Expansion Act of 2025 and applauds Congressman Nick Langworthy for his leadership in advancing this vital legislation. By ensuring that federal infrastructure projects are governed by a fair, comparative negligence standard rather than outdated absolute liability rules, this bill protects both contractors and property owners while preserving access to critical federal funding. On behalf of our several hundred electrical contractors across New York State, we thank Rep. Langworthy for standing up for the skilled professionals who power and build America's infrastructure. This commonsense reform promotes safety, accountability, and much-needed investment in our nation's roads, bridges, transit systems, and energy networks," said Marco Giamberardino, SVP, Government and Public Affairs, National Electrical Contractors Association (NECA).

"The LIA has long advocated for reforms of the Scaffold Law, which continues to inhibit the construction of sorely needed housing and modern infrastructure and contributes to our overall crisis of affordability in New York State. That's why we wholeheartedly support the federal effort spearheaded by Congressman Langworthy to finally move New York into the 21st century and address this antiquated roadblock to progress while maintaining the highest safety standards for workers," said **Matt Cohen, Long Island Association President & CEO**.

"Upstate United is proud to join the 'Build More New York' coalition as it works to advance federal legislation that would help reform New York's outdated and costly 'Scaffold Law.' The policy, unique to New York, has resulted in the nation's highest general liability insurance costs for construction, while burdening taxpayers with hundreds of millions of dollars each year. We gladly lend our voice to this cause and are hopeful that by working together, we can help to reduce unnecessary costs and support job growth throughout the construction industry," said **Justin Wilcox, Executive Director of Upstate United.**

"To build a better tomorrow — literally — we need to take action today," said **Bob Duffy**, **President and CEO**, **Greater Rochester Chamber**. "Greater Rochester Chamber is proud to be part of this coalition that seeks to find solutions to reducing construction costs so we can deliver on the housing and economic promises all New Yorkers deserve. Thank you to Rep. Langworthy for your leadership on this. We look forward to working alongside all of our partners at the state and local level to help achieve the growth our communities need."

"For far too long, New York's Scaffold Law has driven up insurance costs, stifled investment, and made New York less competitive," said **Heather Mulligan, President & CEO, The Business Council of New York State, Inc.** "Reform is long overdue, and H.R. 3548 is a critical step toward restoring fairness and affordability. Modernizing this outdated law will go a long way in lowering costs, creating jobs, and strengthening New York's economy."

"New York's century-old Scaffold Law is a direct barrier to economic growth, driving up costs for businesses, communities, and taxpayers alike," said **Kelly Gonyo**, **Chair of the Board**, **Big I New York**. "This outdated statute has made liability insurance coverage harder to find and even harder to afford. Too often, contractors are being priced out of projects altogether, leaving more uninsured contractors doing the work, and when injuries occur, taxpayers ultimately pay the price. Municipalities are forced to spend more on public works, and affordable housing providers scale back essential upgrades, all because of a law that no longer serves the public interest. The need for reform is both clear and urgent."

Wide Economic Consequences

Statewide, construction employment is 6 percent below pre-pandemic levels. While 40 states added construction jobs last year, New York lost nearly 7,000 – the largest drop nationwide. The Scaffold Law deters job creation, slows infrastructure progress, and discourages investment. Reform would free up public funds and accelerate project delivery.

Heavy Costs to Taxpayers

According to a 2014 study by the Rockefeller Institute, a nonpartisan public policy research organization, the Scaffold Law adds about \$785 million annually to public construction costs. These inflated expenses reduce the number of schools, roads, transit systems, and housing units that can be built. Instead of funding better infrastructure, taxpayer dollars are redirected into settlements, insurance premiums, and litigation costs that wouldn't exist under a comparative system.

No Evidence of Improved Safety

Construction workers in New York are no safer than workers in other states. For example, on the Goethals Bridge, injury claims were twice as high on the New York side as on the New Jersey side, despite identical conditions. New York's injury and fatality rates exceed those in most states. After Illinois repealed a similar law in 1995, construction fatalities declined, indicating reform can enhance safety.

Fraudulent and Frequent Claims

The law has led to an epidemic of staged accident fraud perpetrated by unscrupulous lawyers and medical professionals, documented by investigative reporters at <u>ABC News</u>. Chubb data from a 2022 report indicates that bodily injury general liability claims greater than \$250,000 in value occur in New York more than 30 times more frequently than in other states from 2012 to 2019. This high frequency drives up costs while creating ample opportunities for bad actors to exploit the system.

Insurance Market Disruption

The law has driven many national insurers out of New York, concentrating the market among a few providers. The 2021 BTEA report found that New York State's average rates are over 300 percent higher than in other states. This cost increase affects all construction levels, from subcontractors to major public works, making it significantly more expensive to build in New York.

Reforming the Scaffold Law will support a more efficient and cost-effective construction system in New York. Representative Langworthy's Infrastructure Expansion Act will create a more sensible liability standard in New York and Build More New York urges representatives to support this bill and champion economic development

in the state. Enactment of preemption on federally funded projects may finally force Albany to repeal the scaffold law for all construction activity within the state.

The following organizations are proudly part of the Build More New York coalition:

American Council of Engineering Companies of New York

Associated Builders and Contractors of Empire State

Associated General Contractors of New York State

Association for a Better Long Island

Big "I" Insurance Agents

Brooklyn Chamber of Commerce

Buffalo Niagara Partnership

Building & Realty Institute of Westchester

Building Trades Employers Association

Business Council of New York State

Business Council of Westchester

Capital Region Chamber

Contractors' Association of Greater New York (CAGNY)

General Contractors Association of New York (GCA)

Greater Binghamton Chamber

Greater Rochester Chamber

Hudson Meridian

Lawsuit Reform Alliance of New York

Long Island Association (LIA)

Long Island Builders Institute

Long Island Contractors' Association

Mechanical Contractors Association of New York

National Association of Home Builders

National Association of Mutual Insurance Companies (NAMIC)

National Electrical Contractors Association (NECA)

New York Apartment Association

New York Association of Towns

New York City Special Riggers Association

New York Farm Bureau

New York Construction Materials Association

New York Municipal Insurance Reciprocal (NYMIR)

New York State Association for Affordable Housing (NYSAFAH)

New York State Builders Association

New York State Conference of Mayors & Municipal Officials (NYCOM)

New York State Economic Development Council

North Country Chamber of Commerce

Northeastern Subcontractors Association

NYCM Insurance

Partnership for New York City

Queens & Bronx Building Association

Real Estate Board of New York

Real Estate Roundtable

Schenectady Steel

Subcontractors Trade Association

The Baldwin Group

Ulster County Chamber of Commerce

Upstate United