

## SERVICE UPDATE

# General Liability Insurance - UPDATED

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New General Liability (GL) insurance requirements for construction or demolition projects are now in effect. When pulling permits, contractors must provide proof that the new insurance requirements have been met. See [RCNY §101-08](#) for complete information.

### **Operational Changes**

For projects requiring additional project-specific insurance, the following documentation must be submitted to the Department before a new or renewed permit will be issued:

- Project-Specific General Liability Insurance Summary and Affirmation (PGL1 form): The [Project-Specific General Liability Insurance Tool](#) will automatically generate this form, based upon the information the user provides. You may also access this program in the Applications and Permits section of [nyc.gov/buildings](http://nyc.gov/buildings). Once the PGL1 is generated, applicants must:
  1. Print the PGL1;
  2. Sign the form and have it notarized; and
  3. Have an authorized insurance broker sign it.
- [Certificate of Liability Insurance \(ACORD\)](#)
- Expiration Date of Permits: The permit's expiration may coincide with the expiration of the project-specific insurance. The permit expiration date will be the earliest of the following:
  1. One year from date the permit was issued;
  2. The expiration date of the project-specific general liability insurance policy that was provided as proof when the permit was obtained; or
  3. The expiration date of the general liability insurance policy provided to the Department's Licensing Unit.

Permits that do not require project-specific general liability insurance will expire one year from the date the permit was issued *or* the day the general liability insurance policy expires, whichever is earlier.

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## **Exemptions to Rule §101-08**

Project-specific general liability insurance is not required for jobs that are:

- A one- or two-family home; *and*
- The excavation is less than 12 feet deep; *and*
- The project is not on the lot line with an existing structure; *and*
- The project's height is less than 35 feet.

In addition, project-specific general liability insurance is not required for storage sheds, garages or similar accessory uses for residential structures.

*Tower crane projects are not exempt from these insurance requirements.*

## **Determining Insurance Requirements by Project**

The insurance requirements are determined by: permit type; height and number of stories of the tallest adjacent building; and height and number of stories of the proposed construction.

The following page outlines the new insurance requirements; the table Use these tables to determine the amount of liability insurance the project must have.

### **Tower Crane Jobs**

For every project that will use a tower crane, the project must have general liability insurance of \$80 million, regardless of the permit or scope of work.

### **Foundation or Full Demolition Permits**

<b>Tallest Adjacent Building</b>	<b>Foundation Permit</b>	<b>Full Demo Permit</b>
Less than 7 Stories AND less than 75 ft	\$5 million	\$5 million
Between 7-14 stories AND less than 150 ft	\$10 million	\$15 million
Less than or equal to 14 stories AND between 75-150 ft	\$10 million	\$15 million
Greater than 14 Stories OR greater than or equal to 150 ft	\$15 million	\$25 million

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**New Buildings and Major Alterations\***

Tallest Adjacent Building	Proposed Construction			
	Less than 7 stories AND less than 75 ft	Between 7-14 stories AND Less than 150 ft	Less than or equal to 14 stories AND between 75-150 ft	Greater than 14 Stories AND greater than or equal to 150 ft
Less than 7 stories AND less than 75 ft	\$5 million	\$15 Million	\$15 Million	\$25 Million
Between 7-14 stories AND less than 150 ft	\$15 Million	\$15 Million	\$15 Million	\$25 Million
Less than or equal to 14 stories AND between 75-150 ft	\$15 Million	\$15 Million	\$15 Million	\$25 Million
Greater than 14 stories OR greater than or equal to 150 ft	\$25 million	\$25 million	\$25 million	\$25 Million

\* A Major Alteration is defined as:

1. Alteration permit involving demolition of more than 50% of the floor area of an existing building
2. Work that will result in the removal of one or more floors of an existing structure
3. Horizontal or Vertical enlargement affecting the exterior envelop of an existing building.