

**METHFESSEL & WERBEL**

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CASE ALERT

New York Passes AVOID Act to Streamline Third-Party Practice

On December 19, 2025, Governor Kathy Hochul signed the Avoiding Vexatious Overuse of Impleading to Delay (AVOID) Act, amending CPLR §1007 to impose stricter deadlines for filing third-party complaints in civil cases. The law takes effect April 18, 2026.

Under the new rules, defendants must file third-party complaints within 60 days of serving an answer if liability stems from a contract or upon learning of a potentially liable party. Third-party defendants have 45 days to file their own complaints, with subsequent tiers allowed 30 days and 20 days, respectively.

Extensions are limited to 30 days without court order, and filings after the Note of Issue will be severed or dismissed without prejudice. Once severed, cases cannot be consolidated back into the main action.

Exceptions apply for claims against a plaintiff's employer in workplace injury cases or when the employer's identity was unknown. In those cases, parties have 120 days from the latest event to file.

The AVOID Act is designed to streamline litigation and minimize delays caused by excessive impleading, marking a significant procedural change for New York courts. While the amendment primarily targets defendants, it also places greater responsibility on plaintiffs to identify and include all necessary parties at the outset of litigation. To support this process on both sides, carriers should ensure that litigation counsel receive complete and accurate claim files, enabling thorough due diligence and compliance with the new requirements.

What the AVOID Act Could Mean for Litigation

The AVOID Act was designed to speed up litigation by imposing stricter deadlines for filing third-party complaints. However, the compressed timelines may have unintended consequences. Parties could face expanded discovery, additional depositions, and increased motion practice—steps that often prolong case resolution. In trying to eliminate perceived delay tactics, the legislature may have

introduced new complexities that could challenge both counsel and clients. This amendment will require parties to bring in every possible party as soon as possible, especially in construction cases. While rights of contribution or indemnity would still be preserved in a separate action, this will complicate settlement because any

settlement with the plaintiff will result in the waiver of contribution rights.

Clients who have questions regarding the potential impact of this recent amendment to their claims are encouraged to contact [Ric Gallin](#) for further guidance.

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