

Statement that the proposed consolidated Second Amendment to 11 NYCRR 420 (Insurance Regulation 169) is a consensus rulemaking and that no person is likely to object to its adoption.

The amendments incorporate recent changes to federal privacy laws regarding information maintained by financial institutions. Under the Gramm-Leach Bliley Act (GLBA), financial institutions must provide certain notices to consumers and customers regarding the use of personal information. The Fixing America's Surface Transportation (FAST) Act, which was enacted into law on December 4, 2015, eliminated the requirement for financial institutions other than those in the insurance industry to provide GLBA annual notices under certain limited circumstances. Under GLBA, it remains up to each individual state to make conforming amendments in order to implement the change for the insurance industry. The National Association of Insurance Commissioners (NAIC) has proposed these changes for all insurance regulators to make. This amendment makes those exceptions applicable to licensees (as that term is defined in the regulation) under the Insurance Law that are subject to the regulation. Because the amendments eliminate a costly and duplicative requirement, the insurance industry has requested the Superintendent to make this amendment. Because the annual notices provided no useful information to consumers, there should be no objection from consumer groups.

Accordingly, this rulemaking is determined to be a consensus rulemaking, as defined in State Administrative Procedure Act ("SAPA") § 102(11), and is proposed pursuant to SAPA § 202(1)(b)(i). Therefore, this rulemaking is exempt from the requirement to file a Regulatory Impact Statement, Regulatory Flexibility Analysis for Small Businesses and Local Governments, or a Rural Area Flexibility Analysis.