

Summary of the Assessment of Public Comments for the Revised Proposed First Amendment to 11 NYCRR 224 (Insurance Regulation 187).

The New York State Department of Financial Services (the “Department”) proposed the First Amendment to Part 224 of Title 11 of the Official Compilation of Codes, Rules and Regulations of the State of New York (Insurance Regulation 187) in December 2017 and received more than 35 sets of comments to the proposed amendment (including one set of comments structured as a form letter that was emailed to the Department over 200 times by individual producers). The Department received comments from individuals and entities including insurers, producers, industry trade associations, consumer groups, and others. The Department also met with several commenters before and after the close of the comment period to discuss the proposal and to obtain clarification of the comments that were submitted.

Many commenters commended the Department for its efforts and most commenters expressed support for a best interest standard for life insurance and annuity transactions. Many commenters addressed more than one provision of the proposed amendment, and many requested specific changes. Generally, comments were made with respect to harmonization and other regulatory bodies; the scope of the regulation; proposed exemptions; definitions; the best interest standard; disclosure and documentation; producer certifications, designations and titles; multiple producer sales; producer compensation; proprietary products; financial exploitation; product comparison disclosure; insurer requirements and supervision; revision to the regulatory impact statement; and the effective date and enforcement. The Department has processed and carefully considered every comment and has made several revisions and clarifications to the proposal. However, the Department did not make all of the recommended revisions because the Department determined, based on its experience and knowledge, that certain revisions were unnecessary within the context of the proposal, were inconsistent with the standards or the purpose of the proposal, or were better addressed with an explanation in this assessment.

The Department addresses each of the comments in full in the complete version of the assessment of public comments, which will be posted on the Department's website.