

## Notice of Adoption

Financial Services, Department of  
(SUBMITTING AGENCY)

- This adoption will amend the NYCRR.  
 This adoption will not amend the NYCRR.

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### 1. Action taken:

Second Amendment of 11 NYCRR 103 (Insurance Regulation 213)

- "X" box if the rule was originally proposed as a consensus rule making.

### 2. Effective date of rule:

- Date this notice is published in the *State Register*.  
 This is a "rate making" as defined in SAPA §102(2)(a)(ii), and, is effective as follows:  
 Date of filing.  
 Other date (*specify*): \_\_\_\_\_  
 Other date (*specify*): \_\_\_\_\_  
 \_\_\_\_\_ days after filing.

### 3. Statutory authority under which the rule was adopted:

Financial Services Law Sections 202 and 302 and Insurance Law Sections 301, 308, 4217, and 4517

### 4. Subject of the rule:

Principle-Based Reserving

### 5. Purpose of the rule:

To prescribe minimum principle-based valuation standards.



**NOTICE OF ADOPTION (Rev. 1/17)**

- C.  A revised RIS is **not** attached because this rule is a “rate making” as defined in SAPA §102(2)(a)(ii).
- A revised RIS is **not** attached because this rule was proposed as a consensus rule as defined in SAPA

**10. Revised Regulatory Flexibility Analysis (RFA) for small businesses and local governments**

(SELECT AND COMPLETE ONE; ALL ATTACHMENTS MUST BE 2,000 WORDS OR LESS)

- A. The attached Revised RFA contains:
- The full text of the Revised RFA.
- A summary of the Revised RFA.
- B. A **statement is attached** explaining why a revised RFA is not required (check one box):
- Changes made to the last published rule do not necessitate revision to the previously published RFA.
- The changes will not impose any adverse economic impact or reporting, recordkeeping or other compliance requirements on small businesses or local governments. The attached statement sets forth this agency’s findings and the reason(s) upon which the findings were made, including what measures were used to determine those findings.
- C.  A revised RFA is **not** attached because this rule is a “rate making” as defined in SAPA §102(2)(a)(ii).
- A revised RFA is **not** attached because this rule was proposed as a consensus rule as defined in SAPA §102(11).

**11. Revised Rural Area Flexibility Analysis (RAFA)**

(SELECT AND COMPLETE ONE; ALL ATTACHMENTS MUST BE 2,000 WORDS OR LESS)

- A. The attached Revised RAFA contains:
- The full text of the Revised RAFA.
- A summary of the Revised RAFA.
- B. A **statement is attached** explaining why a revised RAFA is not required (check one box):
- Changes made to the last published rule do not necessitate revision to the previously published RAFA.
- The changes will not impose any adverse impact or reporting, recordkeeping or other compliance requirements on public or private entities in rural areas. The attached statement sets forth this agency’s findings and the reason(s) upon which the findings were made, including what measures were used to determine those findings.
- C.  A revised RAFA is not attached because this rule is a “rate making” as defined in SAPA §102(2)(a)(ii).
- A revised RAFA is **not** attached because this rule was proposed as a consensus rule as defined in SAPA §102(11).

**12. Revised Job Impact Statement (JIS)**

(SELECT AND COMPLETE ONE; ALL ATTACHMENTS MUST BE 2,000 WORDS OR LESS)

- A. The attached Revised JIS contains:
- The full text of the Revised JIS.
- A summary of the Revised JIS.
- B. A **statement is attached** explaining why a revised JIS is not required (check one box):
- Changes made to the last published rule do not necessitate revision to the previously published JIS.
- The changes will not impose a substantial impact on jobs and employment opportunities. The attached statement sets forth this agency’s findings that the rule will have a positive impact or no impact on jobs and employment opportunities; except when it is evident from the subject matter of the rule that it could only have a positive impact or no impact on jobs and employment opportunities, the statement shall include a summary of the information and methodology underlying that determination.
- C. A revised JIS is **not** attached because:
- This rule is a “rate making” as defined in SAPA §102(2)(a)(ii).
- This rule was proposed by the State Comptroller or Attorney General.

13. **Assessment of Public Comment** (includes legislative comments)

(COMPLETE ONE; ALL ATTACHMENTS MUST BE 2,000 WORDS OR LESS):

- Attached is an assessment of public comment.  
No particular form is required, and it need **only** include comments not addressed in any previously published assessment for this rule. However, the assessment must be based on any written comments received by the agency or any comments presented at any public hearing held by the agency about this rule (include legislative comment). It must contain a summary and an analysis of the issues raised and significant alternatives suggested, a statement of the reason(s) why any significant alternatives were not incorporated, and a description of any changes made as a result of such comments.
- An assessment is not attached because no comments were received.
- An assessment is not required because this action is for a "rate making" as defined in SAPA §102(2)(a)(ii).



14. **Referenced material** (check one box):

- No information is being incorporated by reference in this rule.
- This rule contains referenced material in the following Parts, sections, subdivisions or paragraphs:

103.3	103.6		
103.5			

15. **Initial Review of Rule** (SAPA §207)

(SELECT AND COMPLETE ONE)

- A.  As a rule that requires a RFA, RAFA or JIS, this rule will be initially reviewed in the calendar year 2024 which is no later than the 3<sup>rd</sup> year after the year in which this rule is being adopted.
- B.  As a rule that requires a RFA, RAFA or JIS, this rule will be initially reviewed in the calendar year \_\_\_\_\_ which is the 4<sup>th</sup> or 5<sup>th</sup> year after the year in which this rule is being adopted. This review period, justification for proposing same, and invitation for public comment thereon, were contained in a RFA, RAFA or JIS:
  - Attached is an assessment of public comment on the issue of the 4 or 5-year initial review period; or
  - An assessment of public comment on the 4 or 5-year initial review period is not attached because no comments were received on the issue.
- C.  As a rule that does not require a RFA, RAFA or JIS, this rule will be initially reviewed in the calendar year \_\_\_\_\_ which is no later than the 5<sup>th</sup> year after the year in which this rule is being adopted.
- D.  Not Applicable. This is a "rate making" or a "consensus rule," or a repeal of a rule.

**AGENCY CERTIFICATION (To be completed by the person who PREPARED the notice)**

I have reviewed this form and the information submitted with it. The information contained in this notice is correct to the best of my knowledge.

I have reviewed Article 2 of SAPA and Parts 260 through 263 of 19 NYCRR, and I hereby certify that this notice complies with all applicable provisions.

Name Sally Geisel

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Date 03/11/2021

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Please read before submitting this notice:

1. Except for this form itself, all text must be typed in the prescribed format as described in the Department of State's *Register* procedures manual, *Rule Making in New York*.
2. Rule making notices, with any necessary attachments (in MS Word unless otherwise specified), should be e-filed via the Department of State website.