Christopher DeMarco
State Register/Office of Information Services
New York State Department of State
One Commerce Plaza
99 Washington Avenue, Suite 650
Albany, NY 12231

Re: State Administrative Procedure Act Section 207
Three and Five-year Review of Agency Rulemakings

Dear Mr. DeMarco:


Sincerely yours,

Sally Geisel
Supervising Attorney
(212) 480-7608

cc: Christine Tomczak
1. INTRODUCTION

Pursuant to Section 207 of the State Administrative Procedure Act, Review of Existing Rules, the Department (as defined below) must review, after five years and at five-year intervals thereafter, rulemakings adopted on or after January 1, 1997. In addition, effective January 1, 2013, for any rule that requires a regulatory flexibility analysis, rural area flexibility analysis, or job impact statement, the Department must initially review that rule in the third calendar year after the year the rule first was adopted. The purpose of the review is to analyze the need for and legal basis of the adopted rulemakings. Please note that all references to the “Department” and the “Superintendent” regarding rules adopted prior to October 3, 2011 mean, respectively, the former Insurance Department or Banking Department and the former Superintendent of Insurance or Superintendent of Banking, as appropriate to the context, and that the references to laws cited are as of the date of the amendment to the rules. For references to rules adopted on or after October 3, 2011, “Department” and “Superintendent” mean, respectively, the Department of Financial Services and the Superintendent of Financial Services.

Notice is hereby given of the following rules that the Department will review this year to determine whether they should be continued or modified. These rules were adopted in 2019, 2017, 2012, 2007, 2002 and 1997. These rules, as published in the State Register, contain a regulatory flexibility analysis, a rural area flexibility analysis or a job impact statement. If one or more of those analyses was not filed, a statement setting forth why one or all those analyses was unnecessary was published in the State Register. Public comment on the continuation or modification of the following rules is invited. Comments must be received within 60 days of the date of publication of this notice.

Unless otherwise noted, the Superintendent intends to continue the rules discussed herein without modification, while continually monitoring the rules to ensure that the provisions remain consistent with related statutory and regulatory requirements.
2. INSURANCE RULEMAKINGS

The following Insurance rulemakings were adopted in 2019:

- Addition of new Part 6 (Insurance Regulation 195) (Electronic Filings and Submissions) to Title 11 NYCRR, effective May 25, 2020.

  Statutory Authority: Financial Services Law Sections 202 and 302 and Insurance Law Sections 301 and 316.

  The regulation requires an insurer or other entity subject to the regulation to make certain filings or submissions electronically, such as insurance fraud prevention plans and reports, rates and forms, annual and quarterly statements and supplements, and holding company and parent corporation applications and reports. Filers for whom electronic filing would cause a hardship may request from the Superintendent an exemption from this regulation.

- Consolidated Rulemaking Amending Part 28 (Insurance Regulation 42) (Professional Bail Agents), Part 33 (Insurance Regulation 120) (Managing General Agents), and Part 66 (Insurance Regulation 76) (Surety Bond Forms – Waiver of the Filing and Prior Approval Requirements of Section 2317 of the Insurance Law) of Title 11 NYCRR, effective March 19, 2020.

  Statutory Authority: Financial Services Law Sections 202 and 302 and Insurance Law Sections 301, 2307, 2314, and Article 68.

  The amendments to the regulations provide greater protection to consumers and raise the standards of integrity in the bail business. The amendment to 11 NYCRR 28 (Insurance Regulation 42) requires, among other things, a bail agent to maintain a bail register; a bail agent to issue a receipt upon collecting and, if applicable, returning premium and collateral; an insurer, charitable bail organization (“CBO”), and bail agent to be liable for the return of all collateral received; a bail agent to prominently display in a headquarters location and each satellite office the license of the bail agent and any supervising person
responsible for the place of business and a sign that states that a complaint may be filed with the 
Department; and a bail agent to provide certain disclosures to a potential indemnitor before the indemnitor 
signs any agreement. The amendments also codify Gevorkyan v. Judelson, 29 NY 3d 452 (2017), which 
held that the full premium paid for a bail bond must be returned if the principal is not released from 
custody.

The amendment to 11 NYCRR 33 (Insurance Regulation 120) defines “managing general agent”
to mean any person or business entity that supervises or manages, on behalf of an insurer, bail agents 
appointed by the insurer, other than a person who is a full-time employee or officer of the insurer. The 
amendment to 11 NYCRR 66 (Insurance Regulation 76) requires insurers and CBOs to file, for the 
approval of the Superintendent, all contracts and other forms that are signed by or provided to the 
indemnitor or principal, including the bail bond form.

- Amendment to Part 58 (Insurance Regulation 193) (Minimum Standards for Form, Content and 
  Sale of Medicare Supplement and Medicare Select Insurance, Including Standards of Full and Fair 
  Disclosure) of Title 11 NYCRR, effective January 1, 2020.

  Statutory Authority: Financial Services Law Sections 202 and 302 and Insurance Law Sections 
  301, 3201, 3216, 3217, 3218, 3221, 3231, and 4235 and Article 43.

  The amendment requires insurers issuing Medicare supplement insurance policies to conform with 
the revised National Association of Insurance Commissioners (“NAIC”) model regulation for Medicare 
supplement insurance, as required by 42 U.S.C. Section 1395ss of the federal Social Security Act.

- Amendment to Part 52 (Insurance Regulation 62) (Minimum Standards for the Form, Content and 
  Sale of Health Insurance, Including Standards of Full and Fair Disclosure) of Title 11 NYCRR, effective 

The amendment establishes a process, including timeframes, for an insured, an insured’s designee, or an insured’s health care provider to request coverage of a non-covered contraceptive drug, device, or product in conformity with newly enacted Ch. 25 of the Laws of 2019 and Part M of Ch. 57 of the Laws of 2019.

Part 52 was amended in 2020, effective April 22, 2021 (State Register December 23, 2020), to require that health insurance identification cards must include the names and identification numbers of the insured and dependents; the name of the issuer providing the coverage; the product or plan name; important telephone numbers; the issuer’s website address; and cost-sharing information. Additionally, to eliminate confusion regarding self-funded plans, the amendment required that health insurance identification cards must include a statement identifying whether the coverage is insured by the issuer or administered by the issuer through a self-funded arrangement.

Part 52 was amended in 2020, effective July 28, 2020 (State Register April 29, 2020), to implement Subpart D of Part J of Chapter 57 of the Laws of 2019, which amended Insurance Law Section 2607 and added Insurance Law Sections 3243 and 4330, by clarifying that discrimination prohibited by Insurance Law Sections 2607, 3243, and 4330 includes certain activities, such as including a policy clause that purports to deny, limit, or exclude coverage based on an insured’s sexual orientation, gender identity or expression, or transgender status or designating an insured’s sexual orientation, gender identity or expression, or transgender status as a pre-existing condition for the purpose of denying, limiting, or excluding coverage. The amendment also implements Insurance Law Sections 3216(i)(17)(E), 3221(l)(8)(E) and (F), and 4303(j)(3) by clarifying that coverage for preexposure prophylaxis with
effective antiretroviral therapy to persons who are at high risk of HIV acquisition is included within preventive care and screenings and specifying the timing for coverage of preventive care and screenings.

Part 52 was amended in 2021, effective December 22, 2021, to clarify that the meaning of “telehealth” includes audio-only visits (e.g., telephone calls) and that, for the purpose of telehealth, an insurer may engage in reasonable fraud, waste, and abuse detection efforts, including efforts to prevent payments for services that do not warrant separate reimbursement.

- Amendment to Part 350 (Insurance Regulation 140) (Continuing Care Retirement Communities) of Title 11 NYCRR, effective December 27, 2019.

  Statutory Authority: Financial Services Law Sections 202 and 302; Insurance Law Section 1119; and Public Health Law Sections 4604(4)(a), 4607, and 4611.

  The amendment modernizes the parameters of the framework for the financial oversight of Continuing Care Retirement Communities (“CCRCs”) to better fit the needs of both CCRCs and the Department by broadening the range of permitted investments for CCRCs; by clarifying the oversight of numerous financial transactions between CCRCs and affiliated entities; by adding an annual financial reporting requirement related to the transfer or sale of capital assets; and by adding a reference to the new type of optional contract, the continuing care at home contract.

- Amendment to Part 94 (Insurance Regulation 56) (Valuation of Individual and Group Accident and Health Insurance Reserves) of Title 11 NYCRR, effective November 27, 2019.

  Statutory Authority: Financial Services Law Sections 202 and 302 and Insurance Law Sections 301, 1303, 1304, 1305, 1308, 4117, 4217, 4310, and 4517.

  The amendment adopts the 2016 Cancer Claim Cost Valuation Tables (2016 CCCVT) for first occurrence and hospitalization cancer expense benefit contracts issued on or after January 1, 2019, or if optionally elected, on or after January 1, 2018, replacing the 1985 NAIC Cancer Claim Cost Tables.
Amendment to Part 41 (Insurance Regulation 143) (Accelerated Payment of the Death Benefit Under a Life Insurance Policy) of Title 11 NYCRR, effective November 27, 2019.

Statutory Authority: Financial Services Law Sections 202 and 302 and Insurance Law Sections 301, 1113, 1304, 3201, 3209, 3230, 4217 and 4517.

The amendment implements statutory amendments made by the Laws of 2017 Ch. 300, Laws of 2014 Ch. 465, Laws of 2014 Ch. 448, and Laws of 2010 Ch. 563, related to the acceleration of life insurance death benefits, including an amendment that an insurer issuing accelerated death benefits under Insurance Law Section 1113(a)(1)(D) is no longer required to be a qualified long-term care insurance carrier under Internal Revenue Code section 4980C (26 U.S.C. section 4980C).

Amendment to Part 52 (Insurance Regulation 62) (Minimum Standards for Form, Content and Sale of Health Insurance, Including Standards of Full and Fair Disclosure) of Title 11 NYCRR, effective August 11, 2019.

Statutory Authority: Financial Services Law Sections 202 and 302 and Insurance Law Sections 301, 1120, 3201, 3216(i)(17), 3217, 3217(d), 3217-g, 3221(l)(8), 4303(j), and 4306-f.

The amendment requires an insurance policy or contract, including a child health insurance plan, policy or contract, that provides coverage for direct access to maternal depression screening and referral performed by a provider of obstetrical, gynecologic, or pediatric services of the mother’s choice, to provide coverage for the screening and referral under the mother’s policy and also under the infant’s policy if the infant is covered under a different policy than the mother and a pediatric provider performs the screening and referral.

Additional amendments were made to 11 NYCRR 52 since 2019 as described above.

Amendment to Part 68 (Insurance Regulation 83) (Charges for Professional Health Services) of Title 11 NYCRR, effective August 7, 2019.
Statutory Authority: Financial Services Law Sections 202 and 302 and Insurance Law Sections 301, 2601, 5221 and Article 51.

The amendment delayed the effective date of the Workers’ Compensation fee schedule increases for no-fault reimbursement.

The regulation was amended in 2020, effective April 22, 2020, to implement Chapter 59, Part III, Section 19 of the Laws of 2019, which amended Insurance Law Section 3420(f) to require that any policy insuring against loss resulting from liability imposed by law for bodily injury or death suffered by any natural person arising out of the ownership, maintenance and use of an altered motor vehicle or stretch limousine, having a seating capacity of eight or more passengers and used in the business of carrying or transporting passengers for hire, provide supplementary uninsured/underinsured (“SUM”) motorist coverage for bodily injury in an amount of a combined single limit of $1,500,000 because of bodily injury or death of one or more persons in any one accident. The amendment also added a definition of “altered motor vehicle” or “stretch limousine” consistent with Department of Motor Vehicles regulation 15 NYCRR Section 79.20(f)(2).

- Amendment to Part 103 (Insurance Regulation 213) (Principle-Based Reserving) of Title 11 NYCRR, effective May 15, 2019.

Statutory Authority: Financial Services Law Sections 202 and 302 and Insurance Law Sections 301, 4217, and 4517.

The amendment clarifies that the Superintendent may require a life insurer, including a fraternal benefit society issuing life insurance or annuity certificates, to change an assumption or method that in the Superintendent’s opinion is necessary to comply with the NAIC valuation manual adopted by the Superintendent and Section 4217(g), and clarifies that a life insurer must adjust reserves as the Superintendent requires.
The regulation was amended in 2020, effective February 26, 2020. The NAIC had revised its model Standard Valuation Law in 2009 to establish principle-based reserving (the funds set aside by insurers to pay insureds’ claims). Beginning January 1, 2020, the 2009 revisions to the NAIC’s Standard Valuation Law would become an accreditation standard. The amendment conformed to the 2009 revisions to the NAIC’s Standard Valuation Law to comply with the NAIC’s accreditation standards.

The regulation was amended in 2021, effective March 31, 2021, to clarify, and make certain adjustments to, the regulation and to prescribe additional minimum standards for valuing statutory reserves that in the Superintendent’s opinion were necessary to comply with the valuation manual to best serve the policyholders of New York State by ensuring that the minimum standards for valuing statutory reserves are set at a level appropriate for the payment of future claims.


  Statutory Authority: Financial Services Law Sections 202 and 302, Insurance Law Sections 301, 3201, 3217, 3221 and 4235, and Workers’ Compensation Law Sections 204(2)(a), 208(2), and 209(3)(b).

  The regulation created the fund required to implement the risk adjustment mechanism referred to in Insurance Law Section 4235(n) and established by Part 363 of 11 NYCRR.

The following Insurance rulemakings were adopted in 2017:

- Amendment to Part 48 (Insurance Regulation 210) (Life Insurance and Annuity Non-Guaranteed Elements) of Title 11 NYCRR, effective March 19, 2018.

  Statutory Authority: Financial Services Law Sections 202 and 302, and Insurance Law Sections 301, 1106, 1113, 3201, 3203, 3209, 3219, 3220, 3223, 4216, 4221, 4223, 4224, 4231, 4232, 4238, 4239, 4240, 4511, 4513, 4518 and Article 24.
The amendment addresses several issues that had been highlighted by company announcements, media commentary, and complaints received by the Department regarding the determination and readjustment of non-guaranteed elements in life insurance policies, particularly with respect to universal life, indeterminate premium term life, and whole life insurance, and annuity contracts. The amendment assists consumers to better understand at the time of purchase and upon any adverse readjustment of non-guaranteed elements how life insurance policies and certain annuity certificates and contracts with non-guaranteed elements subject to change at the discretion of the insurer or fraternal benefit society operate, and thereby reduce consumer dissatisfaction and the number of lapsed policies. The amendment accomplishes this by requiring additional disclosures at the time the policy, contract or certificate is issued and by requiring notice to be provided in advance of any adverse change in the current scale of non-guaranteed elements, in order to give the owner enough time to address any projected insufficiency.

- Amendment to Part 154 (Insurance Regulation 150) (Private Passenger Motor Vehicle Multi-Tier Programs) of Title 11 NYCRR, effective March 13, 2018.

  Statutory Authority: Financial Services Law Sections 202 and 302, and Insurance Law Sections 301, 2301, 2303, and 2349, and Insurance Law Article 23.

  The amendment to Insurance Regulation 150 clarifies that an insurer may not use a policyholder’s occupational status or educational level as a factor in either initial tier placement or tier movement unless the insurer demonstrates, to the Superintendent’s satisfaction, that the use of occupational status or educational level attained in initial tier placement or tier movement does not result in a rate that violates Insurance Law Article 23. This rule accords with the public policy objectives that the New York State Legislature sought to advance in Insurance Law Sections 2301, 2303, and 2349.

- Amendment to Part 68 (Insurance Regulation 83) (Charges for Professional Health Services) of Title 11 NYCRR, effective January 23, 2018.
Statutory Authority: Financial Services Law Sections 202 and 302, and Insurance Law Sections 301, 2601, 5221, and Article 51.

The amendment to Insurance Regulation 83 limits insurers’ reimbursement of no-fault insurance health care services provided outside New York State at the election of a New York State eligible injured person to the lowest of: (1) the amount of the fee in the region in New York State that has the highest applicable amount in the fee schedule for that service; (2) the amount the provider charged; and (3) the prevailing fee in the geographic location of the provider. If the jurisdiction where the out-of-state provider renders treatment has established a fee schedule for services rendered in connection with motor vehicle-related injuries, the prevailing fee shall be the amount prescribed in that fee schedule for the respective service. This limit on reimbursement does not apply to services provided out-of-state that: (1) would constitute emergency care; (2) are provided to a non-resident of this State; or (3) are provided to a New York State resident who, at the time of treatment, is residing in the jurisdiction where the treatment is being rendered for reasons unrelated to the treatment.

The regulation was amended in 2019 and 2020 as described above.

- Amendment to Part 420 (Insurance Regulation 169) (Privacy of Consumer Financial and Health Information General Provisions) of Title 11 NYCRR, effective December 20, 2017.

Statutory Authority: Financial Services Law Sections 202 and 302; Insurance Law Sections 301, 1505, 1608, 1712, and 3217, and Article 24; and in accordance with the provisions of 12 U.S.C. Section 1831x, 15 U.S.C. Sections 6801(b), 6802, 6803, 6805(b), 6805(c) and 6807, and 15 U.S.C. Chapter 94.

The amendment incorporates 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, each individual state makes its own conforming amendments to implement the change for the insurance industry. The NAIC proposed the changes for all insurance regulators to make. The 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. The amendments eliminate a costly and duplicative requirement.

- Amendment to Part 80-1 (Insurance Regulation 52) (Holding Companies) of Title 11 NYCRR, effective December 20, 2017.

  Statutory Authority: Financial Services Law Sections 202 and 302, and Insurance Law Sections 301, 1502(b) and 1506.

  The rulemaking amends item 3 of Section 80-1.6 to fix incorrect references to a “controlled person” and to clarify that an executive officer or director of a corporation may make a written application to the Superintendent for an exemption from the requirement that the person furnish a consolidated balance sheet as of the end of the applicant’s fiscal year and related consolidated statements of income and surplus for the year then ended on the ground that submitting the documents is not pertinent in determining the financial condition of the corporation, of which the individual is an executive officer or director.

- Addition of new Part 228 (Insurance Regulation 208) (Title Insurance Rates, Expenses, and Changes) of Title 11 NYCRR, effective December 18, 2017.

  Statutory Authority: Financial Services Law Sections 202 and 302, and Insurance Law Sections 301, 2110, 2119, 2303, 2304, 2306, 2315, and 6409 and Articles 23 and 24.

  Insurance Regulation 208 was adopted to: (a) ensure that title insurance corporations and title insurance agents comply with the Insurance Law; (b) level the playing field so that a title insurance corporation or title insurance agent is not selected based on which entity can provide the most lavish
inducements; (c) help ensure that title insurance rates are not excessive; and (d) eliminate unreasonable and excessive markups of ancillary charges. This rule provides consumers with additional protection against excessive rates and unreasonable closing costs.

The Department is working on amending Section 228(a)(1)-(3) and (d) in accordance with Matter of New York State Land Tit. Assn., Inc. v. New York State Dep’t of Fin. Svcs., 169 A.D.3d 18 (1st Dep’t 2019).

- Amendment to Part 101 (Insurance Regulation 164) (Standards for Financial Risk Transfer Between Insurers and Health Care Providers) of Title 11 NYCRR, effective November 3, 2017.

Statutory Authority: Financial Services Law Sections 202 and 302, Insurance Law Sections 301, 1102, 1109 and Articles 32, 41, 42, 43, and Public Health Law Section 4403(1)(c) and Article 29-E.

To advance the objectives of Public Health Law Article 29-E, which established a demonstration program to test the ability of accountable care organizations (“ACOs”) to assume a role in delivering an array of health care services, from primary and preventive care through acute inpatient hospital and post-hospital care, the Commissioner of Health of the State of New York (“Commissioner”) adopted a regulation (10 NYCRR 1003) (“ACO Regulation”) establishing standards for the issuance of certificates of authority to ACOs by the Commissioner. The Commissioner also adopted an amendment to 10 NYCRR 98 to: (1) expand the definition of an independent practice association (“IPA”) to allow such entities to become certified as ACOs pursuant to Public Health Law Article 29-E and the ACO Regulation; and (2) upon certification, contract with third party health care payers.

The amendment to Insurance Regulation 164 expands the definition of “intermediary entity” to include ACOs as defined by the Commissioner’s ACO Regulation, thereby permitting insurers to enter into financial risk transfer arrangements with ACOs that are certified pursuant to Article 29-E and the ACO Regulation.

Statutory Authority: Financial Services Law Sections 202 and 302, Insurance Law Sections 301, 2115, 2118, 2305, 2307, 2334, 2335, 2601, 3420, 3455, 5102, 5105, and 5406 and Articles 23 and 51, Vehicle and Traffic Law (“VTL”) Sections 1693, 1694 and 311, and Chapter 59 of the Laws of 2017 Part AAA.

Part AAA of Chapter 59 of the Laws of 2017 established a new Article 44-B of the VTL (“Article 44-B”) regarding transportation network companies (“TNCs”), which was signed into law on April 10, 2017, took effect on June 29, 2017, and amended or added other laws to implement new Article 44-B. A TNC is a company that uses a digital network, such as an application on a phone, to connect people seeking rides with drivers who are interested in providing those rides. Although TNCs have several different models, the most typical model uses drivers who are not professional livery drivers and who use their own
personal automobiles to provide those prearranged rides, and it is that model that Chapter 59 recognizes.

The new TNC laws necessitated a change to New York's motor vehicle financial responsibility requirements, including regulations promulgated by the Superintendent. In addition, the law provides that the Superintendent must establish the provisions for policies satisfying the new financial responsibility requirements of Article 44-B.

The amendments were adopted to implement the new TNC law, particularly to establish the minimum requirements for policies satisfying the financial responsibility requirements of Article 44-B, and to ensure that minimum insurance requirements are in place at all times with appropriate protections in order to protect the drivers and owners of the vehicles, and the general public.

Insurance Regulation 35-D was amended in 2018, effective November 25, 2018, to conform with Insurance Law Section 3420(f)(2-a), which was implemented by Chapter 490 of the Laws of 2017 and Chapter 15 of the Laws of 2018. The amendment clarifies that SUM coverage must not provide fewer benefits than mandatory uninsured motorist coverage when a combined single limit policy is issued. In addition, the amendment amends the rules related to the manner in which the organization designated by the Superintendent to administer the SUM arbitration program assesses the cost of the program to the insurance industry, in accordance with the recommendation and authorization of the Supplementary Uninsured Motorist Optional Arbitration Advisory Committee and amends all references to “AAA/American Arbitration Association” to read “designated organization.” The amendment also incorporates various editorial revisions to the prescribed endorsement and other portions of the regulation to clarify the intent and application of the coverage.

The regulation was amended again in 2020, effective March 25, 2020, to conform to a legislative amendment to Insurance Law Section 3420(f) by requiring any policy insuring against loss resulting from liability imposed by law for bodily injury or death suffered by any natural person arising out of the
ownership, maintenance, or use of an altered motor vehicle or stretch limousine, having a seating capacity of eight or more passengers and used in the business of carrying or transporting passengers for hire, provide SUM coverage for bodily injury in an amount of a combined single limit of $1,500,000 because of bodily injury or death of one or more persons in any one accident.

Insurance Regulation 35-E was amended in 2018, effective December 19, 2018, to extend, until July 1, 2019, the requirement that a group policy provide that the group policy is primary over a policy issued in satisfaction of Vehicle and Traffic Law Article 6 to give insurers additional time to revise and implement their new policy forms. The amendment also changed an incorrect citation from 11 NYCRR 60-3.3(g)(2) to 11 NYCRR 60-3.3(h)(2).

Insurance Regulation 68-C, as part of a consolidated consensus rulemaking, was amended in 2021, effective June 9, 2021, to repeal Form NF 10 of Appendix 13 and add a new Form NF 10 to Appendix 13 to remove the wording “Financial Frauds and Consumer Protection Division” from the Department’s address and to update the address of the Department’s Buffalo office.

- Consolidated Amendment to Parts 20 (Insurance Regulations 9, 18 and 29) (Brokers, Agents and Certain other Licensees – General); 29 (Insurance Regulation 87) (Special Prohibitions); 30 (Insurance Regulation 194) (Producer Compensation Transparency); 34 (Insurance Regulation 125) (Requirements Pertaining to the Location of an Insurance Agent or Broker at Each Place of Insurance Business); and Addition of new Part 35 (Insurance Regulation 206) (Title Insurance: Title Insurance Agents, Affiliated Relationships, and Required Disclosures) of Title 11 NYCRR, effective October 18, 2017.

Statutory Authority: Financial Services Law Sections 202 and 302, and Insurance Law Sections 107(a)(54), 301, 2101(k), 2109, 2112, 2113, 2119, 2120, 2122, 2128, 2129, 2132, 2139, 2314, and 6409.

The amendments were made to include title insurance agents in a number of existing regulations governing insurance producers and to clarify those regulations. In addition, the rules address unique
circumstances involving title insurance agents, including affiliated persons arrangements and required consumer disclosures.

Part 20 (Insurance Regulations 9, 18 and 29) was amended in 2021, effective November 12, 2021, to require insurance producers (including title insurance agents) and resident public adjusters, during the two-year licensing term, to obtain at least one ethics and professionalism continuing education (“CE”) credit and at least one diversity, inclusion, and elimination of bias CE credit. The new amendment requires certain insurance producers to earn at least one flood insurance CE credit and at least three enhanced flood insurance CE credits if they sell flood insurance through the National Flood Insurance Program. Also, during the first two years an insurance producer or public adjuster is licensed, the amendment requires at least one credit for an overview of the New York Insurance Law.

- Amendment to Part 52 (Insurance Regulation 62) (Minimum Standards for Form, Content, and Sale of Health Insurance, including Standards of Full and Fair Disclosure) of Title 11 NYCRR, effective August 20, 2017.

Statutory Authority: Financial Services Law Sections 202 and 302, and Insurance Law Sections 301, 3201, 3217, 3221, 4235, 4237, and 4303.

The amendment makes explicit that individual, group, and blanket accident insurance policies and contracts that provide hospital, surgical, or medical expense coverage delivered or issued for delivery in New York State may not exclude coverage for medically necessary abortions and must provide such coverage at no cost sharing.

In addition, the amendment provides for an optional, limited exemption for religious employers. However, the amendment still ensures that medically necessary abortion coverage is maintained for any insured of a policy issued to a religious employer at no additional cost to the insured by requiring an insurer to issue a rider to each certificate holder of a policy issued to the religious employer that provides
coverage for medically necessary abortions, at no premium to be charged to the certificate holder or religious employer.

Part 52 was amended in 2018, effective October 3, 2018, to require every individual and small group accident and health insurance policy or contract (other than a grandfathered health plan) delivered or issued for delivery in New York that provides hospital, surgical, or medical expense coverage and every student accident and health insurance policy or contract delivered or issued for delivery in New York to continue providing coverage of at least the enumerated ten categories of essential health benefits (“EHB”) if the EHB provisions in 42 U.S.C. § 18022 and 45 C.F.R. 156.100 et seq. are no longer in effect or are modified as determined by the Superintendent.

In addition, with respect to an individual or small group accident and health insurance policy that provides hospital, surgical, or medical expense coverage and a student accident and health insurance policy or contract delivered or issued for delivery in New York State, the amendment reaffirms that an issuer is prohibited from discriminating because of race, color, creed, national origin, sex, age, marital status, disability, or a preexisting condition and to clarify the scope of such prohibitions. Part 52 was amended in 2018, effective November 25, 2018 (State Register September 26, 2018), to provide that every insurer that delivers or issues for delivery in this state an accident and health insurance policy that provides hospital, surgical, or medical expense coverage and provides coverage for medication for the detoxification or maintenance treatment of a substance use disorder shall include in the policy processes that allow a formulary exception and access to clinically appropriate medication for the detoxification or maintenance treatment of a substance use disorder not otherwise covered by the policy. Part 52 was amended in 2018, effective October 31, 2018, to establish minimum standards for volunteer firefighter enhanced cancer insurance policies that, pursuant to General Municipal Law Section 205-cc, every legally
organized fire district, department or company in this state must provide and maintain for each eligible volunteer firefighter unless the fire district, department or company self-funds the benefits.

Additional amendments made to Part 52 are discussed above.

- Amendment to Part 52 (Insurance Regulation 62) (Minimum Standards for Form, Content, and Sale of Health Insurance, including Standards of Full and Fair Disclosure) of Title 11 NYCRR, effective August 20, 2017.

  Statutory Authority: Financial Services Law Sections 202 and 302, and Insurance Law Sections 301, 3216(i)(17) and (33), 3217, 3221(l), (8), (16), and (19), and 4303(j), (cc), and (qq).

  The amendment requires an insurer to allow, where the prescription so provides, for the dispensing of an initial three-month supply of a contraceptive to an insured, and up to a 12-month prescribed supply for any subsequent dispensing of the same contraceptive prescribed by the same health care provider and covered under the same policy or contract or renewal thereof.

  Additional amendments made to Part 52 are described above.

- Amendment to Part 83 (Insurance Regulation 172) (Financial Statement Filings and Accounting Practices and Procedures) of Title 11 NYCRR, effective August 9, 2017.


practices and procedures to be followed in completing annual and quarterly financial statements required by law.

The regulation was amended in 2020, effective December 30, 2020, to adopt the March 2020 edition of the AP&P Manual; to except from the adoption of the AP&P Manual the guidance prescribed in subparagraphs 4.a. and 4.b. of SSAP No. 26R, “Bonds”, the third sentence of Footnote 1 of SSAP No. 97 and the guidance prescribed in paragraph 11, and Footnote 1 of SSAP No. 72, “Surplus and Quasi-Reorganizations”; and to make various technical corrections.

The regulation was amended in 2021 as part of a consolidated rulemaking that also adopted new Part 77 to 11 NYCRR (Insurance Regulation 220). The rulemaking requires that, until January 1, 2027, the shares of an exchange traded fund (“ETF”), the portfolio of which consists of fixed income securities, cash, and cash equivalents, be treated as bonds for the purpose of a domestic insurer’s risk-based capital (“RBC”) report if the ETF meets certain criteria. The rulemaking also requires that shares of an ETF that meets the criteria set forth in 11 NYCRR Section 77.2(a) be accounted for as set forth in the AP&P Manual, including with respect to the asset valuation reserve and interest maintenance reserve, with the exception that the book adjusted carrying value of such shares must be set equal to fair value (and not systematic value). The rulemaking further requires a foreign insurer to calculate its RBC consistent with 11 NYCRR 77 and to report that RBC in the New York supplement to the annual financial statement. The rulemaking also adopts the March 2021 edition of the AP&P Manual.


The rule incorporates Section 2A of the NAIC Property and Casualty Actuarial Opinion Model Law (the “Model Law”), which requires an authorized property/casualty insurer to submit an annual statement of actuarial opinion (“SAO”) unless otherwise exempted by the insurer’s domiciliary state, and Section 2B of the Model Law, which requires a domestic property/casualty insurer that must submit an SAO to submit an annual actuarial opinion summary (“AOS”) written by the insurer’s appointed actuary. This incorporation ensures that the Department meets NAIC accreditation standards and relieves the Department of the need to continue reissuing circular letters each year. The rule also requires an authorized property/casualty insurer to submit an AOS electronically unless the Superintendent grants the insurer an exemption from filing electronically.

- Amendment to Subpart 60-2 (Insurance Regulation 35-D) (Supplementary Uninsured/Underinsured Motorists Insurance) of Title 11 NYCRR, effective August 1, 2017.

Statutory Authority: Financial Services Law Sections 202 and 302, and Insurance Law Sections 301 and 3420.

The amendment interprets Insurance Law Section 3420(f)(2), in light of ensuing judicial rulings and experience, by establishing a standard form for SUM coverage, in order to eliminate ambiguity, minimize confusion and maximize its utility.

The amendment clarifies an inadvertent misinterpretation to ensure that the SUM coverage will not provide fewer benefits than the mandatory uninsured motorist coverage. In addition, the amendment amends the rules related to the manner in which the organization designated by the Superintendent to administer the SUM arbitration program assesses the cost of the program to the insurance industry, in accordance with the recommendation and authorization of the Supplementary Uninsured Motorist Optional Arbitration Advisory Committee, and amends all references in Sections 60-2.3 and 60-2.4 to “AAA/American Arbitration Association” to read “designated organization.” Furthermore, the
amendment incorporates various editorial revisions to the prescribed endorsement and other portions of the regulation to clarify the intent and application of the coverage.

Insurance Regulation 35-d was amended in 2018 and 2020 as described above.

- Amendment to Part 95 (Insurance Regulation 56) (Valuation of Individual and Group Accident and Health Insurance Reserves) of Title 11 NYCRR, effective July 19, 2017.

  Statutory Authority: Financial Services Law Sections 202 and 302 and Insurance Law Sections 301, 1303, 1304, 1305, 1308, 4117, 4217, 4310, and 4517.

  The amendment adopted the 2013 Individual Disability Income Valuation Table (“2013 IDI Valuation Table”) for individual disability income contracts issued on or after January 1, 2020, or if optionally elected, on or after January 1, 2017, replacing both the 1985 Commissioners Individual Disability Tables A and the 1985 Commissioners Individual Disability Tables B. The amendment also adopted the 2013 IDI Valuation Table for non-worksite individual disability income claims incurred on or after January 1, 2020, or if optionally elected, on or after January 1, 2017, replacing the 1985 Commissioners Individual Disability Tables C.

  The regulation was amended in 2019 as described above.


  Statutory Authority: Financial Services Law Sections 202 and 302; Insurance Law Sections 301, 3201, 3217, 3221, and 4235; and Workers’ Compensation Law (“WCL”) Sections 204(2)(a), 208(2) and 209(3)(b).

  The new Part implements the statutory mandates set forth in Insurance Law Section 4235(n) and WCL Sections 204(2)(a), 208(2), and 209(3)(b). The regulation establishes that family leave benefits
coverage under WCL Article 9 must be community rated and may be subject to a risk adjustment mechanism, sets the procedures for publishing the maximum employee contribution, and requires issuers and self-funded employers to submit information electronically on claims.

- Consolidated Rulemaking Amending Part 147 (Insurance Regulation 98) (Valuation of Life Insurance Reserves) and Part 179 (Insurance Regulation 100) (Recognition of the 2001 CSO Mortality Table and the 2017 CSO Mortality Table for Use in Determining Minimum Reserve Liabilities and Nonforfeiture Benefits and Recognition and Application of Preferred Mortality Tables for Use in Determining Minimum Reserve Liabilities) to Title 11 NYCRR, effective May 17, 2017.

  Statutory Authority: Financial Services Law Sections 202 and 302 and Insurance Law Sections 301, 1304, 1308, 4217, 4218, 4221, 4224, 4240, and 4517.

  The rulemaking specified that the prior two amendments to Insurance Regulations 147 and 179 only applied to policies issued on or after January 1, 2015 and prior to January 1, 2017, or on or after January 1, 2015 and prior to January 1, 2018 with written notification provided to the Superintendent by June 30, 2017. The rulemaking also adopted the 2017 CSO Mortality Table, the table adopted by the NAIC as the minimum valuation standard for applicable life insurance policies issued on or after January 1, 2020, or if the insurer optionally elected, on or after January 1, 2017.

  The prior two amendments to Insurance Regulations 147 and 179 had been implemented to reflect the emerging mortality experience that had significantly improved since the implementation of the 2001 CSO Mortality Table. The mortality improvement included in the prior amendments was no longer needed since it was directly incorporated within the 2017 CSO table. Allowing the prior two amendments to Insurance Regulations 149 and 179 to remain along with the adoption of the 2017 CSO Mortality Table would have caused double counting of the mortality improvement.
The rulemaking was amended in 2018, effective January 2, 2019, to grant insurers the additional time necessary to update administrative and valuation systems prior to any forthcoming changes to minimum reserve standards by statutory amendment.

The rulemaking was amended in 2020, effective April 22, 2020, to allow insurers that chose to continue using the 2015 reserve relief procedures to use them for one more year of policy issues, until they had to update their reserve procedures to comply with new Insurance Law Section 4217(g).

- Consolidated Rulemaking Amending Part 65-3 (Insurance Regulation 68-C) (Regulations Implementing the Comprehensive Motor Vehicle Insurance Reparations Act) and Part 216 (Insurance Regulation 64) (Unfair Claims Settlement Practices and Claim Cost Control Measures) of Title 11 NYCRR, effective February 1, 2017.
  
  Statutory Authority: Financial Services Law Sections 202 and 302, and Insurance Law Section 301.

The amendment updated the address of the Department’s Long Island office referenced in Part 216 and NYS Form NF-10 to Appendix 13 (Part 65-13).

  
  Statutory Authority: Financial Services Law Sections 202 and 302, and Insurance Law Sections 301 and 4228.

The amendment permits an increase in training allowance limits that were initially set by statute in 1998, to adjust for inflationary increases that had arisen since the regulation was first promulgated on September 28, 2007.

The following rulemakings were adopted in 2012:
Amendment to Part 362 (Insurance Regulation 171) (The Healthy New York Program) of Title 11 NYCRR, effective November 28, 2012.

Statutory Authority: Financial Services Law Sections 202 and 302; Insurance Law Sections 301, 1109, 3201, 3216, 3217, 3221, 4235, 4303, 4304, 4305, 4326 and 4327.

This amendment permitted existing Healthy New York enrollees to keep their current coverage option. New applicants, for coverage effective January 1, 2012 or later, were limited to Healthy New York’s high deductible health plans only. This approach struck a balance in protecting existing enrollees from unaffordable rate increases while maintaining an affordable option for those purchasing coverage.

Amendment to Part 16 (Insurance Regulation 86) (Special Risk Insurance) of Title 11 NYCRR, effective November 7, 2012.

Statutory Authority: Financial Services Law Sections 202, 301 and 302; Insurance Law Sections 301, 307 and 308 and Article 63.

The free trade zone enables insurers to make certain types of insurance available more quickly without prior approval or review by the Superintendent to facilitate more streamlined economic development in New York. To advance this objective, the Department reduced one of the premium thresholds for Class 1 risks and added more insurance risks that may be written as Class 2 risks in the free trade zone. The rule was also amended to define various risks and exposures that were previously added to the Class 2 risk list by public notice, pursuant to Section 16.8 of the regulation. Additionally, the parameters established for writing risks in the “free trade zone” had not been revised in several years. This amendment simplified certain of the calculations set forth in the current rule.

Section 16.4 was amended, effective April 2, 2014, to remove certain requirements to conform with the revisions then made to Insurance Law Section 6303(a)(3) by Chapter 75 of the Laws of 2013.
The rulemaking also made technical corrections to conform to a statutory amendment, correct a citation and fix an error that was made in an earlier amendment to the regulation.

The rule was amended again in 2018, effective May 16, 2018, to incorporate Class 2 Risk changes that the Department had introduced by Public Notice in May 2017.

- Amendment to Part 39 (Insurance Regulation 144) (Minimum Standards for the New York State Partnership for Long-Term Care Program) of Title 11 NYCRR, effective June 1, 2012.

  Statutory Authority: Financial Services Law Sections 202, 301 and 302; Insurance Law Sections 301, 1117, 3201, 3217, 3221, 3229, 4235, 4237 and Article 43; and Social Services Law Section 367-f.

  The amendment revised minimum standards for inflation protection to add a new plan and add disclosure requirements relating to reciprocity.

  The regulation was amended in 2013, effective January 1, 2014, to reflect in dollar amounts the minimum daily benefit amounts from 2014 to 2023 that New York State Partnership insurers must use.

  The regulation was amended in 2013, effective June 5, 2013, as part of a consolidated rulemaking to revise references that became outdated as a result of the consolidation of the New York State Insurance and Banking Departments into a new Department of Financial Services, and made certain other technical changes (e.g., grammatical corrections and repeal of obsolete forms).

- Amendment to Part 83 (Insurance Regulation 172) (Financial Statement Filings and Accounting Practices and Procedures) of Title 11 NYCRR, effective May 2, 2012.

  Statutory Authority: Financial Services Law Sections 202 and 302; Insurance Law Sections 107(a)(2), 301, 307, 308, 1109, 1301, 1302, 1308, 1404, 1405, 1407, 1411, 1414, 1501, 1505, 3233, 4117, 4233, 4239, 4301, 4310, 4321-a, 4322-a, 4327 and 6404; Public Health Law Sections 4403, 4403-a, 4403-c(12) and 4408-a; Chapter 599 of the Laws of 2002; and Chapter 311 of the Laws of 2008.
The regulation incorporates by reference the March 2017 edition of the AP&P Manual published by the NAIC to enhance the consistency of the accounting treatment of assets, liabilities, reserves, income, and expenses, and to set forth the accounting practices and procedures to be followed in completing annual and quarterly financial statements required by law.

The regulation was amended in 2013, effective June 5, 2013, as part of a consolidated rulemaking to revise references that became outdated as a result of the consolidation of the New York State Insurance and Banking Departments into a new Department of Financial Services, and made certain other technical changes (e.g., grammatical corrections and repeal of obsolete forms).

The regulation was amended in the following years to adopt the most recent AP&P Manual in use at the time: 2013, effective December 4, 2013; twice in 2014, effective April 2, 2014 and November 19, 2014; in 2015, effective September 23, 2015; and in 2016, effective November 9, 2016. The amendment effective November 19, 2014 also updated references to the AP&P Manual’s statements of statutory accounting principles (“SSAP”) 10R to read SSAP 101, to reflect the same changes that were made by the NAIC as of January 1, 2012. The rule also makes technical corrections to Section 83.4(i).

The regulation also was amended in 2017, 2020 and 2021 as described above.

- Amendment to Part 26 (Insurance Regulation 25) (Independent Adjusters) of Title 11 NYCRR, effective April 25, 2012.

Statutory Authority: Financial Services Law Sections 202 and 302 and Insurance Law Sections 301 and 2108.

The regulation was amended to authorize the licensing of independent adjusters for multi-peril crop insurance.

The regulation was amended in 2013, effective June 5, 2013, as part of a consolidated rulemaking to revise references that became outdated as a result of the consolidation of the New York State Insurance
and Banking Departments into a new Department of Financial Services, and made certain other technical changes (e.g., grammatical corrections and repeal of obsolete forms).

- Amendment to Part 16 (Insurance Regulation 86) (Special Risk Insurance) of Title 11 NYCRR, effective April 11, 2012.

  Statutory Authority: Financial Services Law Sections 202, 301 and 302; Insurance Law Sections 301, 307 and 308 and Article 63.

  Chapter 490 of the Laws of 2011 amended Article 63 of the Insurance Law by introducing Class 3 risks to be written in New York by insurers licensed to write special risk insurance for “large commercial insureds,” as defined in the amendment, provided that the insurers make certain informational filings with the Superintendent. The addition of the Class 3 risks was intended to enhance the ability of insurers to underwrite large and unusual risks in the New York market, increase speed to market for certain insurance products not currently exempted, and facilitate more streamlined economic development in New York, as existing and emerging businesses that need to insure large or unusual risks would have quick access to the insurance they need. The rule set forth the requirements for writing Class 3 risks and the procedures for insurers to make the required filings as stated in Chapter 490.

  The regulation was amended in 2013, effective June 5, 2013, as part of a consolidated rulemaking to revise references that became outdated as a result of the consolidation of the New York State Insurance and Banking Departments into a new Department of Financial Services, and made certain other technical changes (e.g., grammatical corrections and repeal of obsolete forms).

  The regulation was amended in 2014, effective April 2, 2014, to amend Section 16.4 to remove certain requirements in order to conform Section 16.9 with the revisions that had been made to Insurance Law Section 6303(a)(3) by Chapter 75 of the Laws of 2013. The rulemaking also made some technical corrections.
The regulation was amended in 2018, effective May 16, 2018, to update Section 16.12(e) to incorporate changes and additions to class 2 risks that were introduced by Public Notice published on May 10, 2017. In addition, Class Code 2-04002 (Federal Crime Program-Excess on Commercial Risks) were deleted since the program was defunct.

- Amendment to Part 99 (Insurance Regulation 151) (Valuation of Annuity, Single Premium Life Insurance, Guaranteed Interest Contract and Other Deposit Reserves) of Title 11 NYCRR, effective April 11, 2012.

Statutory Authority: Financial Services Law Sections 202, 301, and 302 and Insurance Law Sections 301, 1304, 4217 and 4517.

The Insurance Law prescribes the mortality tables and interest rates to be used for calculating reserve funds necessary in relation to the obligations made to policy or contract holders. This amendment was adopted to allow the use of substandard annuity mortality tables in valuing impaired lives under individual single premium immediate annuities. Use of a substandard annuity mortality table or the use of a constant addition to the standard mortality rate allowed the insurer to recognize the impaired health of the annuitant, which may benefit consumers with impaired health by enabling insurers to keep costs at a lower level because they would not need to hold standard reserves.

Insurance Regulation 151 was amended effective August 27, 2014 to prescribe a new individual annuity mortality table to be used when setting reserves that are held for individual annuities and pure endowments issued or purchased on or after January 1, 2015.

- Addition of Part 381 (Insurance Regulation 198) (Life Settlements) to Title 11 NYCRR, effective March 21, 2012.

Statutory Authority: Financial Services Law Sections 202, 301 and 302; Insurance Law Sections 301 and Sections 2137, 7803, 7804 and 7817 as added by the Laws of 2009, Chapter 499, Section 21.
Sections 2137, 7803, and 7804 of the Insurance Law require the Superintendent to establish the application filing fees for licensing of life settlement providers and brokers; the registration of life settlement intermediaries; and financial accountability requirements for life settlement providers. The amendment, which establishes license and registration fees and financial accountability requirements, was adopted to implement the life settlement legislation.

- Amendment to Part 54 (Insurance Regulation 77) (Variable Life Insurance) of Title 11 NYCRR, effective March 14, 2012.

Statutory Authority: Financial Services Law Sections 202, 301 and 302 and Insurance Law Sections 301, 3201, and 4240.

The amendment added provisions necessary to accommodate the mechanics of private placement investments in variable life insurance policies and allowed consumers who meet the federal definition of “accredited investor” or “qualified purchaser” as incorporated by reference in the regulation, to purchase private placement variable life insurance policies. The amendment also required insurers to inform consumers that, due to the illiquid nature of the investment options, the payment of the death benefit, the cash surrender value, policy loans, partial withdrawals, or partial surrenders, as applicable, may be delayed. The statement must also advise the applicant to refer to the policy for further details on any delay of payments.

The regulation was amended in 2013, effective June 5, 2013, as part of a consolidated rulemaking to revise references that became outdated as a result of the consolidation of the New York State Insurance and Banking Departments into a new Department of Financial Services, and made certain other technical changes (e.g., grammatical corrections and repeal of obsolete forms).

- Addition of Subpart 151-6 (Insurance Regulation 119) (Workers’ Compensation Insurance) to Title 11 NYCRR, effective March 7, 2012.
Statutory Authority: Financial Services Law Sections 202 and 302; Insurance Law Section 301; and Workers’ Compensation Law Sections 15(8)(h)(4) and 151(2)(b).

The amendment was adopted to standardize the basis upon which the workers’ compensation assessments were calculated to eliminate any discrepancy between the amount that an insurer collected from employers and the amount that an insurer remitted to the Workers’ Compensation Board.

The regulation was amended in 2013, effective June 5, 2013, as part of a consolidated rulemaking to revise references that became outdated as a result of the consolidation of the New York State Insurance and Banking Departments into a new Department of Financial Services, and made certain other technical changes (e.g., grammatical corrections and repeal of obsolete forms).

The regulation was amended in 2016, effective November 23, 2016, to implement Part A of Chapter 60 of the Laws of 2014 by requiring that for each workers’ compensation insurance policy issued or renewed in New York State, an insurer provide a credit to a health care facility that implements and maintains a safe patient handling program that meets the requirements of Public Health Law § 2997-(k)(2). The amount of the credit and the manner in which it is applied must be made in accordance with the approved manual filed by the rate service organization (“RSO”) of which the insurer is a member. The rule also required every workers’ compensation RSO to file certain information with the Superintendent by June 1 of each year so that the Superintendent could collect information for the statutorily-required reports due to the Legislature in 2018 and 2020.

- Consolidated Rulemaking Amending Part 147 (Insurance Regulation 98) (Valuation of Life Insurance Reserves and Recognition of the 2001 CSO Mortality Table and the 2017 CSO Mortality Table for Use in Determining Minimum Reserve Liabilities) and Part 179 (Insurance Regulation 100) (Nonforfeiture Benefits and Recognition and Application of Preferred Mortality Tables for Use in Determining Minimum Reserve Liabilities) to Title 11 NYCRR, effective March 7, 2012.
Statutory Authority: Financial Services Law Sections 202 and 302 and Insurance Law Sections 301, 1304, 1308, 4217, 4218, 4221, 4224, 4240, and 4517.

The rulemaking specified the dates of applicability of the previous consolidated amendments to Insurance Regulations 147 and 179 and adopted the 2017 CSO Mortality Table as the minimum valuation standard for applicable life insurance policies issued on or after January 1, 2020 (or if the insurer optionally elected, on or after January 1, 2017), adopted by the NAIC in April 2016.

The rulemaking was amended in 2014, effective January 15, 2014, to delete the January 1, 2014 sunset provisions in Section 98.9(c)(viii), which permit insurers to use certain prescribed lapse assumptions that would make the section inoperable with respect to policies written on or after January 1, 2014.

The rulemaking was amended again in 2014, effective December 10, 2014, to enable life insurers to lower their reserves for term life policies.

The rulemaking was amended in 2015, effective April 1, 2015, to modernize the current regulatory scheme with respect to universal life insurance with secondary guarantee reserves.

The rulemaking was amended in 2018, effective January 2, 2019, and in 2020, effective April 22, 2020, as described above.

The following rulemakings were adopted in 2007:

- Amendment to Part 100 (Insurance Regulation 179) (Recognition of the 2001 CSO Mortality Table for Use in Determining Minimum Reserve Liabilities and Non-forfeiture Benefits and Recognition and Application of Preferred Mortality Table for Use in Determining Minimum Reserve Liabilities) of Title 11 NYCRR, effective December 26, 2007.

  Statutory Authority: Insurance Law Sections 201, 301, 1304, 4217, 4218, 4221, 4224, 4240, and 4517, and Articles 24 and 26.
Insurance Regulation 179 was amended to recognize and permit the use of the 2001 CSO preferred class structure mortality table for preferred lives for individual life insurance and group life insurance products sold to individuals by certificate with premium rates guaranteed from issue for at least two years in accordance with Insurance Law Sections 4217 and 4517.

Insurance Regulation 179 was amended effective March 16, 2011, to extend the use of the 2001 CSO Preferred Structure Mortality Table to policies issued on or after January 1, 2004, and also amended in 2014 and 2015 as discussed above.

The regulation was amended in 2011, effective March 16, 2011, to extend the use of the 2001 CSO Preferred Structure Mortality Table to policies issued on or after January 1, 2004.

Insurance Regulation 179 was amended as part of consolidated rulemakings in 2012, 2014, 2015, 2017, 2018 and 2020 as described above.

- Amendment to Part 98 (Insurance Regulation 147) (Valuation of Life Insurance Reserves) of Title 11 NYCRR, effective December 26, 2007.

  Statutory Authority: Insurance Law Sections 201, 301, 1304, 1308, 4217, 4218, 4240, and 4517.

  Insurance Regulation 147 was amended to include the provisions of the adopted new version of the NAIC’s Actuarial Guideline 38 to be in effect for policies issued on or after January 1, 2007 and prior to January 1, 2011.

  The regulation was amended in 2012, 2014, 2015, 2017, 2018, and 2020 as part of consolidated rulemakings amending 11 NYCRR Parts 147 and 179 (Insurance Regulations 147 and 179) as described above.

- Amendment to Part 27 (Insurance Regulation 41) (Excess Line Placements Governing Standards) of Title 11 NYCRR, effective December 19, 2007.

  Statutory Authority: Insurance Law Sections 201, 301, 2105, 2118, and Article 21.
Article 21 of the Insurance Law establishes minimum standards for the placement of New York risks with eligible excess line insurers. Insurance Regulation 41 further governs the placement of excess line insurance. Insurance Regulation 41 requires alien excess line insurers to maintain trust funds in the United States to support their United States excess line business. These trust requirements were not updated for several years. The NAIC’s International Insurers Department, which reviews alien insurer applications for inclusion on the NAIC Quarterly Listing of Alien Insurers, updated its trust funding standards for alien excess line insurers and for associations of insurance underwriters (“Associations”). This rule changed the amount of funds required to be held in trust by alien excess line insurers and Associations and resolved the existing inequity in the trust fund obligations imposed upon alien excess line insurers, as compared to the obligations imposed upon an Association. The amount of funds to be held in trust by alien excess line insurers increased, and the amount of funds to be held in trust by an Association decreased.

The regulation was amended in 2011, effective May 4, 2011, to increase the minimum surplus to policyholders required to be maintained by new and current excess line insurers.

The regulation was amended effective October 8, 2014, to implement Chapter 61 of the Laws of 2011, conforming to the Federal Non-admitted and Reinsurance Reform Act of 2010.

- Amendment to Part 42 (Insurance Regulation 149) (Term Life Issuance and Renewal Restrictions; Non-forfeiture Values for Certain Life Insurance Policies) of Title 11 NYCRR, effective December 5, 2007.

Statutory Authority: Insurance Law Sections 201, 301, 3201, 4221, and 4511

The Insurance Law sets forth non-forfeiture requirements for the anniversaries of life insurance policies. Those requirements assume that premiums are annually paid at the beginning of each policy year, and that any surrenders or lapses occur at the end of the year. In practice, premiums actually may be paid
throughout a policy year (i.e., monthly), and surrenders may occur at times other than on a policy anniversary. This amendment addressed the issues that can arise when those types of variations occur. Providing insurers with guidance as to what is considered acceptable should enhance their ability to get policy forms approved more quickly. This amendment also sought to clarify the requirements of Insurance Law Section 4221 because of the number of areas where the Department found problems with policy form submissions.

- Amendment to Part 362 (Insurance Regulation 171) (The Healthy New York Program & the Direct Payment Stop Loss Relief Program) of Title 11 NYCRR, effective November 7, 2007.

  Statutory Authority: Insurance Law Sections 201, 301, 1109, 3201, 3217, 3221, 4235, 4303, 4304, 4305 and 4326.

  Insurance Regulation 171 was amended to require health maintenance organizations and participating insurers to offer high deductible health plans using the Healthy New York small employer and individual programs. This option provided New Yorkers with access to a tax-advantaged method of purchasing health insurance. The rule also provided for prostate cancer screening and a limited home health care and physical therapy benefit. The addition of the prostate cancer screening benefit facilitated prompt and early detection of prostate cancer, which in turn should decrease mortality and reduce treatment costs.

  Insurance Regulation 171 also was amended effective November 28, 2012 as discussed above.

- Amendment to Part 52 (Insurance Regulation 62) (Minimum Standards for the Form, Content, and Sale of Health Insurance, Including Standards of Full and Fair Disclosure) and Addition of a new Part 56 (Insurance Regulation 183) (Processing of Claims) to 11 NYCRR, effective November 7, 2007.

  The Insurance Law authorizes the Superintendent to establish standard provisions for accident and health insurance coverage, and to promulgate regulations governing minimum standards for the form,
content, and sale of such coverage. Insurance Regulation 183 and the amendment of 11 NYCRR 52.16(c)(5) served that purpose. The cosmetic surgery exclusion presently set forth in Regulation 62 predated Insurance Law Article 49, which provides for internal and external appeal of medical necessity denials. This rule clarified the requirements relating to the cosmetic surgery exclusion in light of the subsequently enacted statutes.

The regulation was amended in 2008, effective March 12, 2008, to require insurers, Article 43 corporations, and health maintenance organizations to send notices to their policy holders, certificate holders, and members describing chapter 748 of the Laws of 2006.

The regulation was amended again in 2008, effective November 19, 2008, to prohibit coverage of drugs, procedures, or supplies for the treatment of erectile dysfunction when provided to, or prescribed for use by, a person who is required to register as a sex offender pursuant to article 6-C of the Correction Law.

The regulation was amended in 2009, effective July 15, 2009, as part of a consolidated rulemaking also amending Part 217 to establish guidelines for processing of healthcare claims when the person is covered by more than one health insurance policy.

The regulation was amended again in 2009, effective December 9, 2009, to comply with Insurance Law 3234(b), pursuant to Benesowitz v. Metropolitan Life Insurance Company.

The regulation was amended in 2010, effective May 5, 2010, as part of a consolidated rulemaking adding a new Part 58 and amending Parts 52, 215, 360, and 361 to establish a framework for the form, content and sale of Medicare supplement insurance. States must have a Medicare supplement insurance regulatory program that provides a minimum level of coverage as established by federal law, 42 U.S.C. § 1395ss.
The regulation was amended in 2011, effective March 30, 2011, to establish minimum standards for internal appeal procedures for long term care insurance, nursing home & home care insurance, nursing home insurance only, and home care insurance only.

Additional amendments to Part 52 adopted after 2011 are described above.

- Amendment to Part 362 (Insurance Regulation 171) (The Healthy New York Program & the Direct Payment Stop Loss Relief Program) of Title 11 NYCRR, effective November 7, 2007.

  Statutory Authority: Insurance Law Sections 201, 301, 1109, 3201, 3217, 3221, 4235, 4303, 4304, 4305, and 4326.

  Insurance Regulation 171 was amended to require health maintenance organizations (“HMOs”) and participating insurers to offer high deductible health plans using the Healthy New York small employer and individual programs. This option provided New Yorkers with access to a tax-advantaged method of purchasing health insurance. The rule also provided for prostate cancer screening and a limited home health care and physical therapy benefit. The addition of the prostate cancer screening benefit facilitated prompt and early detection of prostate cancer, which in turn should decrease mortality and reduce treatment costs.

  Insurance Regulation 171 also was amended effective November 28, 2012 as discussed above.

- Amendment to Part 350 (Insurance Regulation 140) (Continuing Care Retirement Communities) of Title 11 NYCRR effective October 17, 2007.

  Statutory Authority: Insurance Law Sections 201, 301, and 1119 and Public Health Law Sections 4604(4)(a), 4607, and 4611.

  Chapter 689 of the Laws of 1989 was enacted for the stated purpose of facilitating the creation of the necessary components for the development of a broader and more integrated continuum of long-term care, financed by a range of private, public, and public/private options. One option was the Continuing
Care Retirement Community ("CCRC"), a residential facility for seniors that provides stated housekeeping, social, and health care services in return for some combination of advance fees, periodic fees, and additional fees. A CCRC is often designed to provide a full continuum of care as the health status of a resident deteriorates with age. A CCRC is expected to maintain at all times at least the required minimum level of liquid funds to cover unexpected expenses or unexpected revenue shortfalls. These funds are not to be used to cover budgeted expenses. This amendment reduced the minimum liquid amount requirement to a level more in line with the investment community’s “days cash on hand” benchmark for an entrance fee community. The “days cash on hand” benchmark was designed to provide sufficient funds to cover unexpected expenditures, to provide refunds for unanticipated living unit turnover without an attendant new entrance fee, or to meet other unbudgeted expenses.

The Department is considering another amendment to Insurance Regulation 140 to clarify and modify the actuarial reserve calculation, distribution allowances, allowable investments, and necessary filing requirements, in view of marketplace expansion in both the number and types of CCRCs. The amendment would also add a new section specifying parameters for transactions between a CCRC and its parent corporation, affiliate or subsidiary.


Statutory Authority: Insurance Law Sections 201, 301, and 4228.

Insurance Regulation 50 was added to update the limits in Insurance Law Sections 4228(e)(3)(C) through 4228(e)(3)(E) to reflect inflation from the January 1, 1998 effective date of Section 4228 to the present.
The Department adopted an amendment to Insurance Regulation 50 in 2017, effective January 25, 2017, to increase the training allowance limits to reflect inflationary increases that had arisen since the regulation was first promulgated.

- Amendment to Part 74 (Insurance Regulation 159) (Homeowners Insurance Disclosure Information and other Notices) of Title 11 NYCRR, effective August 8, 2007.

  Statutory Authority: Insurance Law Sections 201, 301, 3425, 3445, and 5403.

  In enacting Chapter 162 of the Laws of 2006, the Legislature intended to improve public awareness of market assistance programs, such as the Coastal Market Assistance Program, that may be available to homeowners in New York. Chapter 162 required that when a policyholder received a notice of cancellation, nonrenewal, or conditional renewal for a homeowners insurance policy as specified in Insurance Law Section 3425(e) with respect to property located in an area served by a market assistance program established by the Superintendent for the purpose of facilitating placement of homeowners insurance, the policyholder must also have received notice from the insurer of possible eligibility for coverage through the market assistance program or through the New York Property Insurance Underwriting Association (“NYPIUA”). In order to implement Chapter 162, the Legislature required the Superintendent to promulgate regulations governing the notices required by law. This rule set forth certain minimum notification requirements to ensure that policyholders that may have been eligible for a market assistance program or NYPIUA received proper notice of their options.

- Repeal of Part 94 and addition of new Part 94 (Insurance Regulation 56) (Valuation of Individual and Group Accident and Health Insurance Reserves) to Title 11 NYCRR, effective July 11, 2007.

  Statutory Authority: Insurance Law Sections 201, 301, 1303, 1304, 1305, 1308, 4117, 4217, 4310, and 4517.
The Insurance Law does not specify mortality, morbidity, and interest standards used to value individual and group accident and health insurance policies but relies on the Superintendent to specify methodology. This regulation was repealed and replaced with a new Part 94 to prescribe rules for valuing minimum individual and group accident and health insurance reserves, including standards for valuing certain accident and health benefits in life insurance policies and annuity contracts. The amendment also lowered reserves for individual policies, which was expected to result in a lower cost of doing business in New York.

The regulation was amended in 2016, effective February 24, 2016, to adopt the NAIC 2012 Group Long-Term Disability Valuation Table for group long-term disability income claims incurred on or after January 1, 2017, or if optionally elected, on or after October 1, 2014, replacing the 1987 Commissioners Group Disability Table.

The regulation was amended in 2019, effective November 27, 2019, to adopt the 2016 Cancer Claim Cost Valuation Tables for first occurrence and hospitalization cancer expense benefit contracts issued on or after January 1, 2019, or if optionally elected, on or after January 1, 2018, replacing the 1985 NAIC Cancer Claim Cost Tables.

- Amendment to Part 83 (Insurance Regulation 172) (Financial Statement Filings and Accounting Practices and Procedures) of Title 11 NYCRR, effective April 25, 2007.

Statutory Authority: Insurance Law Sections 107(a)(2), 201, 301, 307, 308, 1109, 1301, 1302, 1308, 1404, 1405, 1407, 1411, 1414, 1501, 1505, 3233, 4117, 4233, 4239, 4301, 4310, 4321-a, 4322-a, 4327 and 6404; Public Health Law Sections 4403, 4403-a, 4403-(c)(12) and 4408-a; and Chapter 599 of the Laws of 2002.

The rule incorporated the NAIC AP&P Manual, March 2006 edition by reference to enhance the consistency of the accounting treatment of assets, liabilities, reserves, income, and expenses, and to set
forth the accounting practices and procedures to be followed in completing annual and quarterly financial
statements required by law.

Insurance Regulation 172 was amended in 2011, effective March 16, 2011, to adopt the most recent
edition of the AP&P Manual in use at the time.

above.

- Amendment to Subpart 65-3 (Insurance Regulation 68-C) (Claims for Personal Injury Protection
  Benefits); Amendment of Subpart 65-4 (Insurance Regulation 68-D) (Arbitration) of Title 11 NYCRR,
  both effective March 14, 2007.

  Statutory Authority: Insurance Law Sections 201, 301, 2601, 5106, and 5221; Vehicle and Traffic
  Law Section 2407.

  Insurance Regulation 68 contains provisions implementing Article 51 of the Insurance Law, which
  is commonly referred to as the No-fault law. No-fault insurance is intended to provide for prompt payment
  of health care and loss of earnings benefits. In accordance with Chapter 452 of the Laws of 2005, these
two rules required an insurer to issue a denial of a no-fault claim with specific language that advised the
applicant of the availability of special expedited arbitration to resolve the issue of which insurer must
process the claim for first party benefits.

  Insurance Regulations 68-C and 68-D were amended as part of a consolidated rulemaking in 2017,
effective February 1, 2017, as described above.

- Amendment to Part 362 (Insurance Regulation 171) (The Healthy New York Program & the Direct
  Payment Stop Loss Relief Program) of Title 11 NYCRR, effective January 31, 2007.

  Statutory Authority: Insurance Law Sections 201, 301, 1109, 3201, 3216, 3217, 3221, 4235, 4303,
  4304, 4305, 4318, 4326, and 4327.
Chapter 1 of the Laws of 1999 enacted the Healthy New York Program as an initiative designed to encourage small employers to offer health insurance to their employees and to encourage uninsured individuals to purchase health insurance coverage. This rule introduced a second Healthy New York benefit package at a reduced premium rate. The second benefit package provided for a lower-cost alternative and permitted individuals and small businesses to choose a benefit package that met their needs. The rule eliminated the well-child copayment applicable to the Healthy New York Program in order to enhance access to preventive and primary care for children and permitted the Healthy New York Program to be considered qualifying health insurance under the federal Trade Act of 2002, which allowed those qualifying for a federal tax credit to benefit from that credit. The rule also revised the eligibility requirements relating to employment to lessen complexity and enhance access.

- Amendment to Part 152 (Insurance Regulation 124) (Physicians and Surgeons Professional Insurance Merit Rating Plan) of Title 11 NYCRR, effective January 24, 2007.

Insurance Law Section 2343(d) provides that the Superintendent shall, by regulation, establish a merit rating plan for physicians’ professional liability insurance. Section 2343(e) provides that the Superintendent may approve malpractice insurance premium reductions for insured physicians who successfully complete an approved risk management course, subject to standards prescribed by the Superintendent by regulation. This rule was amended to allow, but not to require, an insurer to offer an internet-based risk management course to its insureds as soon as the Department determines that the course is in proper compliance with applicable law.

- Amendment to Part 83 (Insurance Regulation 172) (Financial Statement Filings and Accounting Practices and Procedures) of Title 11 NYCRR, effective January 10, 2007.

Statutory Authority: Insurance Law Sections 107(a)(2), 201, 301, 307, 308, 1109, 1301, 1302, 1308, 1404, 1405, 1407, 1411, 1414, 1501, 1505, 3233, 4117, 4233, 4239, 4301, 4310, 4321-a, 4322-a,
This rule incorporated the NAIC AP&P Manual, March 2005 edition by reference to enhance the consistency of the accounting treatment of assets, liabilities, reserves, income, and expenses, and to set forth the accounting practices and procedures to be followed in completing annual and quarterly financial statements required by law. The amendment of another portion of the regulation was necessitated by the issuance of a revised edition of Estimated Useful Lives of Depreciable Hospital Assets, another publication that is incorporated by reference in the regulation.


- Addition of new Part 75 (Insurance Regulation 181) (Standards for Insurance that Qualifies for the Environmental Remediation Insurance Tax Credit) to Title 11 NYCRR, effective January 10, 2007.

  Statutory Authority: Insurance Law Sections 201, 301, 2105, 2118, and 3447.

  Insurance Law Section 3447 provides that the Superintendent is authorized to promulgate regulations relating to the certification of policies of insurance that qualify for the environmental remediation insurance tax credit provided for under Tax Law Section 23. Part 75 was added to provide guidance for insurers as to the minimum standards for environmental remediation insurance coverages that will enable an insurer to certify that the coverages qualify for the environmental remediation insurance tax credit provided for under the Tax Law. This Part also provides the requirements for disclosure of the premiums paid for the coverages under Insurance Law Section 3447(b) to enable the insured to obtain the appropriate tax credit.

- Amendment to Part 262 (Insurance Regulation 162) (Legal Services Insurance) of Title 11 NYCRR, effective January 10, 2007.
Statutory Authority: Insurance Law Sections 201, 301, 1113(a)(29), 1116 and Articles 23 and 63 and Chapter 65 of the Laws of 1998.

Prior to this amendment, legal services insurance that was written as part of a policy of liability insurance was subject to the filing and approval requirements of Insurance Law Article 23 and did not qualify as a special risk coverage pursuant to 11 NYCRR Part 16 (Insurance Regulation 86). Thus, a liability policy that might otherwise be exempt from Article 23 filing requirements, except for the fact that it includes legal services insurance coverage, was required to be submitted to the Department for approval before it could be used. This amendment permitted legal services insurance to qualify as a special risk only if the coverage of the policy of liability insurance of which it is a part also qualified as a special risk coverage pursuant to Insurance Regulation 86 and Insurance Law Article 63, and the policy was written on such basis.

- Amendment to Part 98 (Insurance Regulation 147) (Valuation of Life Insurance Reserves) of Title 11 NYCRR, effective January 10, 2007.

Statutory Authority: Insurance Law Sections 201, 301, 1304, 1308, 4217, 4218, 4240, and 4517.

Maintaining solvency of insurers doing business in New York is a principal focus of the Insurance Law. One way the Insurance Law seeks to ensure solvency is by requiring all insurers and fraternal benefit societies authorized to do business in New York to hold reserve funds in an amount proportional to the obligations made to policyholders. At the same time, insurers and policyholders benefit when insurers have adequate capital for company purposes such as expansion and product or other forms of business development.

Some companies have sold life insurance products that result in lower reserves than would be required for products with similar death benefit and premium guarantees. This rule addressed that problem by establishing new reserve methodologies consistent with Insurance Law Section 4217.
Insurance Regulation 147 was amended effective March 16, 2011, to remove restrictions on the mortality adjustment factors (known as X factors) in deficiency reserves calculation. This amendment to Insurance Regulation 147 incorporated both the NAIC revisions to the model regulation and the interpretation of the Actuarial Guideline, thus resulting in consistency between the NAIC and New York and promoting regulatory uniformity across the U.S. Companies domiciled in states that did not adopt these changes by December 31, 2009 year-end were forced to hold higher reserves relative to companies domiciled in states that had adopted these changes.

The regulation was amended in 2011, effective March 16, 2011, to remove restrictions on the mortality adjustment factors (“X factors”) in deficiency reserves calculation.


  Statutory Authority: Insurance Law Sections 201, 301, 1113, 3201, and 4525.

  This rule established minimum standards for benefit levels, benefit eligibility and exclusion, and premium levels relating to additional benefits authorized under Insurance Law Section 1113(a)(1) for unemployment lapse protection benefits for life insurance. The unemployment lapse protection benefit includes waiver of premium benefits and waiver of charge benefits. This rule also prescribed advertising and disclosure requirements for unemployment lapse protection benefits for life insurance.

**The following rulemakings were adopted in 2002:**

- Consensus Rulemakings Amending Various Parts of Title 11 NYCRR, effective dates: December 4, 2021; August 21, 2002; June 26, 2002.

  The consensus rulemakings amending 11 NYCRR were adopted to update regulations and statutory references to be consistent with the Insurance Law recodification and to eliminate numerous obsolete provisions.
• Amendment to Parts 1 and 2 (Insurance Regulation 1) (Definitions; Promulgation of Regulation; Opinions) of Title 11 NYCRR, effective November 6, 2002.

Statutory Authority: Insurance Law Sections 201 and 301.

This amendment deleted obsolete provisions to reflect current law and the existing internal practices of the Insurance Department and made editorial changes for clarification purposes.

• Amendment to Parts 105-109 (Insurance Regulation 30) (Operating and Allocation of Expenses for Annual Statement Purposes) of Title 11 NYCRR, effective October 23, 2002.

Statutory Authority: Insurance Law Sections 201, 301, 2325, and Article 23.

This amendment deleted obsolete provisions and updated other provisions to be consistent with the NAIC’s current Annual Statement instructions.

• Amendment of Part 68 (Regulation 83) (Charges for Professional Health Services) of Title 11 NYCRR, effective October 23, 2002.

Statutory Authority: Insurance Law Sections 201, 301, and Article 51.

The amendment repealed fee schedules that were superseded by fee schedules established by the Workers' Compensation Board. The amendment also repealed provisions referencing outdated hospital fee schedules applicable to No-fault. The Public Health Law establishes the applicable schedules to be used by hospitals when billing for services provided to patients involved in automobile accidents. The amendment repealed health provider schedules created by the Department, which were outdated and were rarely, if ever, used and referenced the current health provider fee schedules established by the Department.

The Department amended the regulation, effective September 22, 2010, to adopt the Workers Compensation Board Dental Fee Schedule.
• Amendment to Subpart 64-2 (Insurance Regulation 35-C) (Liability Insurance Covering All-Terrain Vehicles) of Title 11 NYCRR, effective September 11, 2002.

  Insurance Regulation 35-C was amended to update the regulation and provisions contained therein to be consistent with approved name changes of statutorily prescribed endorsements, to delete obsolete provisions, and to make editorial changes.

• Amendment to Part 16 (Insurance Regulation 86) (Special Risk Insurance) of Title 11 NYCRR, effective September 11, 2002.

  Statutory Authority: Insurance Law Sections 201, 301, 1403(c), 1404(a)(1), and 1405(a)(1).

  This amendment updated Insurance Regulation 86 to include the definitions of various risks and exposures that were previously added to the Class Two Risk List of the Free Trade Zone by public notice. These risks and exposures had been added to the list since the last amendment to this regulation in 1998. Insurance Regulation 86 was amended in 2012 and 2014 as discussed above.


  Statutory Authority: Insurance Law Sections 201, 301, 3201, 3216, 3217, 3218, 3221, 3231, 3232, 4235, 4237, and Article 43 and Social Security Act (42 U.S.C. Section 1395ss).

  The enactment of the Omnibus Budget Reconciliation Act of 1990 required the mandatory standardization and federal certification of policies of Medicare supplement insurance. As a result of this Act, states were required to amend their laws and regulations to conform to the federal standards for Medicare supplement insurance. The revisions contained in this amendment made technical corrections to New York’s Medicare supplement regulation to ensure continued compliance with federal standards.

Statutory Authority: Insurance Law Sections 201, 301, 1109, 3201, 3216, 3217, 3221, 3231, 3232, 3233, 4235, 4304, 4305, 4317, 4318, 4321, 4322, and Article 45; Chapter 501 of the Laws of 1992; and Chapter 504 of the Laws of 1995.

Chapter 501 of the Laws of 1992 established requirements for open enrollment, community rating and portability of individual and small group health coverage and provided for a pooling mechanism for individual and small group insurance to ensure the stabilization of health insurance markets and premium rates. Chapter 504 of the Laws of 1995 provided for modification of pooling processes designed to share the risk of insurers and HMOs providing individual and small group health insurance coverage.

This amendment to Insurance Regulation 146 exercised the statutory authority and responsibility placed upon the Superintendent to implement and assure the ongoing operation of open enrollment and community rating, including mechanisms designed to ensure the stability of the individual and small group health insurance markets. Chapter 504 permitted the Superintendent, after January 1, 2000, to establish more than one type of mechanism for insurers and HMOs to share risks or prevent undue variation in claims costs. This amendment also phased out (as of January 1, 2000) pooling based on demographics for individual and small group coverage, other than Medicare supplement insurance, and replaced them with modified specified medical condition pools. It continued a demographic pooling mechanism for Medicare supplement insurance.

Insurance Regulation 146 was amended effective June 25, 2008 to create a new market stabilization process in the individual and small group market in order to share among plans substantive cost variations attributable to high-cost medical claims.
On December 7, 2016, the Department adopted an amendment to Insurance Regulation 146 on an emergency basis to implement a market stabilization pool for the small group health insurance market for the 2017 plan year.

- Amendment to Part 86 (Insurance Regulation 95) (Report of Suspected Insurance Fraud to the Insurance Frauds Bureau; Required Warning Statements) of Title 11 NYCRR, effective May 1, 2002.

  Statutory Authority: Insurance Law Sections 201, 301, 403(c), (d), and (e), 409, and 4322 and Chapter 2 of the Laws of 1998.

  Chapter 2 of the Laws of 1998 amended Insurance Law Section 409 relating to fraud prevention plans, to make it applicable to most entities licensed pursuant to Article 44 of the Public Health Law. Section 409 required the Superintendent to implement the provisions of Chapter 2 by promulgating a regulation, including those provisions requiring insurers to adopt and implement fraud prevention plans using a special investigation unit ("SIU"). Therefore, Insurance Regulation 95 was amended to require HMOs to adopt and implement fraud prevention plans and to liberalize the requirements for SIU investigators so that insurers would be better able to recruit qualified investigators.

  The Department is considering another amendment to Insurance Regulation 95 to establish a requirement that a licensee required to submit a fraud prevention plan must revise its fraud prevention plan to reflect changes to the holding company, the lines of business that affect the SIU, and changes to SIU personnel or the provider of SIU services. The Department is also revising Section 86.6(d) to correct the due date of the filing of the annual report from January 15 to March 15, in compliance with Insurance Law Section 409(g).

- Amendment to Part 71 (Insurance Regulation 107) (Legal Defense Costs in Liability Policies) of Title 11 NYCRR, effective April 17, 2002.
Statutory Authority: Insurance Law Sections 201, 301, 1113(a)(13)-(14), 3436, and 5504 and Articles 23, 31, 34, and 55.

This amendment to Insurance Regulation 107 established lines of insurance that may be written to provide for defense of a claim to be provided within policy limits (defense within limits). Information provided to the Department indicated that for certain of the lines of insurance for which defense within limits was allowed, the minimum limit requirements were greater than the needs of some policyholders. The premium for the minimum permissible limits was often such that, as a business decision, the employer declined to purchase the coverage. As a consequence, the financial position of the employer, if faced with a claim, could be placed at undue risk and injured parties may have no means of recovery for damages suffered. In addition, some small and regional insurers with relatively limited financial capacity had indicated reluctance to participate in this market at the previously required minimum limits. This regulation also reduced the minimum required limit of liability for employee benefit liability, fiduciary liability, and employment practices liability. As a result, small insurance agents and brokers, as well as regional insurers, had an additional product line to offer and small businesses were offered more affordable coverage.

- Repeal of Parts 11 and 12 (Regulations 49 and 50) (Expense Allowance Limits and Training Allowances) of Title 11 NYCRR, effective April 17, 2002.

Statutory Authority: Insurance Law Sections 201 and 301.

Parts 11 and 12 were promulgated pursuant to Insurance Law Section 4228 prior to its repeal by Chapter 616 of the Laws of 1997. A newly enacted Section 4228, effective January 1, 1998, contained provisions relating to expense allowance limits and training allowances that conflicted with the provisions of these regulations. This action repealed the regulatory provisions that were no longer applicable by virtue of repeal of the authority for their promulgation.
• Addition of new Part 421 (Insurance Regulation 173) (Standards for Safeguarding Consumer Information) to Title 11 NYCRR, effective February 27, 2002.

  Statutory Authority: Insurance Law Sections 201 and 301 and Article 24; 15 U.S.C. Sections 6801, 6805(a)(6), 6805(b), 6805(c), and 6807; and 15 U.S.C. Chapter 94.

  Insurance Regulation 173 was added to establish standards for developing and implementing administrative, technical, and physical safeguards to protect the security, confidentiality, and integrity of customer information, pursuant to Sections 501, 505(b) and 507 of the GLBA.

• Amendment to Part 34 (Insurance Regulation 125) (Requirements Pertaining to the Location of an Insurance Agent or Broker at Each Place of Insurance Business in New York) of Title 11 NYCRR, effective February 13, 2002.

  Statutory Authority: Insurance Law Sections 201, 301, and 2129; Chapter 556 of the Laws of 1996; and Chapter 505 of the Laws of 2000.

  This amendment to Insurance Regulation 125 implemented Chapter 556 of the Laws of 1996, which modified the requirements as to whom may supervise the office of an insurance agent or broker, and Chapter 505 of the Laws of 2000, which created a new type of license, the life insurance broker license.

• Amendment to Part 101 (Insurance Regulation 164) (Financial Risk Transfer Agreements) of Title 11 NYCRR, effective January 30, 2002.

  Statutory Authority: Insurance Law Sections 201, 301, 1102, 1109 and Articles 32, 41, 42 and 43 and Public Health Law Section 4403(1)(c).

  The regulation was amended to assess the financial responsibility and capability of health care providers to perform their obligations under certain financial risk sharing agreements and set forth
standards pursuant to which providers may adequately demonstrate such responsibility and capability to insurers.

The following rulemakings were adopted in 1997:

- Adoption of Part 163 (Regulation 153) (Flexible Rating for Nonbusiness Automobile Insurance Policies) of Title 11 NYCRR, effective August 20, 1997.

  Statutory Authority: Insurance Law Sections 201, 301, 2350, and Article 23.

  The stated purpose of Article 23 of the Insurance Law includes improving the availability and reliability of insurance and promoting the public welfare by regulating insurance rates to assure that they are not excessive, inadequate, or unfairly discriminatory and are responsive to competitive market conditions. The introduction of flexible rating to private passenger automobile insurance by Chapter 113 of the Laws of 1995 was intended to strengthen the high level of fair competition on a long term basis. Flexible rating is a blend of prior approval and competitive rating. This rule replaces the prior approval system for nonbusiness auto insurance that had been in effect since 1974.

  In 2010, effective January 6, 2010, the Department amended the regulation to implement Section 13 of Chapter 136 of the Laws of 2008, which added a new Section 2350 to the Insurance Law, which reintroduced flexible rating for nonbusiness automobile insurance rates. Chapter 113 of the Laws of 1995 first introduced “flex rating” to nonbusiness automobile insurance effective July 1, 1995 until it expired on August 2, 2001 and was replaced by prior approval requirements.

- Amendment to Part 73 (Insurance Regulation 121) (Claims Made Policies: Scope of Application; Minimum Standards) of Title 11 NYCRR, effective August 1, 1997 (State Register July 30, 1997).

  Statutory Authority: Insurance Law Sections 201, 301, 308, 1113, 3436, 5504, and Articles 23 and 55.
This regulation provides minimum standards and requirements concerning the offset of defense costs against liability insurance policy limits and/or deductibles. This amendment updated the list of coverages and risks that may be written on a defense cost within limits of liability basis; disclosure requirements; minimum limits of liability; and minimum standards for approval of policies written on a defense cost within limits basis.

In 2000, effective March 22, 2000, the Department amended the regulation to provide that legal services insurance may be provided on a claims-made basis when written as part of a policy of liability insurance covering the types of risk specified in section 73.2(a) of the regulation.

- Amendment to Part 80-2 (Insurance Regulation 52-A) (Minimum Standards for Producer-Controlled Insurers and Controlling Producers: Disclosure Requirements for Certain Other Producers) of Title 11 NYCRR, effective August 1, 1997 (State Register July 30, 1997).

  Statutory Authority: Insurance Law Sections 201, 301, 308, 309, 310, 1104, 1106(e), and Articles 15, 16, and 21.

  Because the close relationship between a producer and insurer could result in a conflict of interest that might compromise the insurer’s solvency, Subpart 80-2 was promulgated to provide minimum safeguards, allow timely oversight of control arrangements, and reduce the likelihood of abuses and financial harm. This amendment exempts any controlled non-domestic insurer whose state of domicile has a substantially similar law from compliance with the reporting requirements of this subpart.

  In 2004, effective February 4, 2004, the Department amended the regulation to repeal Section 80-2.6, a section containing obsolete provisions.

- Amendment to Part 81-1.0 (Insurance Regulation 53) (Subsidiaries of Insurance Companies) of Title 11 NYCRR, effective August 1, 1997 (State Register July 30, 1997).

  Statutory Authority: Insurance Law Sections 201, 301, and Article 16.
This regulation concerns subsidiaries that are owned, acquired, or organized pursuant to Article 16 of the Insurance Law by insurance companies that are subject to Insurance Law Section 1403(c). Section 1403(c) prescribes the investments that certain domestic insurers may make once they meet their minimum capital and minimum surplus to policyholders requirement. This rule clarifies that the regulation is applicable only to domestic insurance companies.

- Addition of Part 19 (Regulation 154) (Homeowners Insurance; Applications for Withdrawal from Marketplace) of Title 11 NYCRR, effective July 30, 1997.
  
  Statutory Authority: Insurance Law Sections 201, 301, 2351, and 3425.

  The regulation establishes standards for the definition of “material reduction of volume of policies” and standards by which an insurer’s application for material reduction of policies shall be approved.

- Amendment to Part 70 (Insurance Regulation 101) (Medical Malpractice Insurance Rate Modifications, Provisional Rates, Required Policy Provisions and Availability of Additional Coverages) of Title 11 NYCRR, effective July 30, 1997.
  
  Statutory Authority: Insurance Law Sections 201, 301, 1113(a)(13) and (14), 3426, 3436, 5504, 5907, 6302, 6303 and Article 23 and Chapters 639 and 253, Laws of 1996.

  The regulation establishes medical malpractice insurance rates, required policy provisions and other standards relating thereto. The amendment established physicians and surgeons medical malpractice rates for the policy year beginning July 1, 1996, and established rules to collect and allocate surcharges to recover deficits based on past experience.

In 1999, effective January 6, 1999, the Department amended the regulation to require that when an insurer enters New York to write physicians and surgeons medical malpractice liability insurance it must use the rates established for the Medical Liability Mutual Insurance Company (“MLMIC”), unless the insurer can demonstrate to the satisfaction of the Superintendent that another rate is appropriate.
Also in 1999, effective April 7, 1999, the Department amended the regulation to establish physicians and surgeons medical malpractice rates for the policy year beginning July 1, 1998, and established rules to collect and allocate surcharges to recover deficits based on past experience.

In 2000, effective July 12, 2000, the Department amended the regulation to establish physicians and surgeons medical malpractice rates for the policy year beginning July 1, 1999; and establish rules to collect and allocate surcharges to recover deficits based on past experience.

In 2001, effective June 20, 2001, the Department amended the regulation to establish physicians and surgeons medical malpractice rates for the policy year beginning July 1, 2000 and establish rules to collect and allocate surcharges to recover deficits based on past experience. In addition, the rule established the rates to be used by the Medical Malpractice Insurance Plan, which was created by statute to provide coverage for eligible health care practitioners and facilities that were unable to obtain coverage in the voluntary market.

- Amendment to Part 169 (Insurance Regulation 100) (Noncommercial Motor Vehicle Insurance Merit Rating) of Title 11 NYCRR, effective July 9, 1997.

  Statutory Authority: Insurance Law Sections 201, 301, 2334, 2335, and 2345.

  Insurance Law Section 2334 authorizes the Superintendent to promulgate regulations establishing standards and limitations that are intended to ensure that noncommercial motor vehicle insurance merit rating plans are reasonable, understandable, and objective and are not unfairly discriminatory, inequitable, violative of public policy, or otherwise contrary to the best interests of the people of New York State. This Part establishes standards and limitations under which insurers may use merit rating plans.

  In 2011, effective January 19, 2011, the Department amended the regulation to raise from $1,000 to $2,000 the minimum threshold amount of property damage which, if exceeded in a motor vehicle
accident, would allow an insurer to impose a policy premium surcharge. This conforms the regulation to Chapter 277 of the Laws of 2010, which amended Section 2335 of the Insurance Law.

- Amendment to Part 216 (Insurance Regulation 64) (Unfair Claims Settlement Practices and Claim Cost Control Measures) of Title 11 NYCRR, effective April 23, 1997.

  Statutory Authority: Insurance Law Sections 201, 301, and Article 51.

  The regulation implements Insurance Law § 2601, which prohibits an insurer from engaging in unfair claims practices, including knowingly misrepresenting pertinent facts or policy provisions; failing to acknowledge with reasonable promptness pertinent communications of claims; failing to adopt and implement reasonable standards for the prompt investigation of claims; not attempting in good faith to effectuate prompt, fair, and equitable claim settlements submitted in which liability has become reasonably clear; and compelling policyholders to institute suits to recover amounts due by offering substantially less than the amounts ultimately recovered in suits brought by the policyholders.

  This rulemaking updated the requirements placed on insurers regarding the investigation and settlement of claims.

  In 1999, effective September 15, 1999, the Department amended the regulation to ensure that full information be provided regarding vehicles that are severely damaged and subsequently rebuilt.

  In 2003, effective April 23, 2003, the Department amended the regulation to add provisions related to the rights of authorized drivers and insurers to inspect damaged rental vehicles.

  In 2004, effective July 28, 2004, the Department amended the regulation to replace the reference to the National Insurance Crime Bureau (“NICB”) with an unspecified “central organization” designated by the Superintendent, which will receive and investigate automobile total losses.

  The regulation was amended in 2017 as described above.
Addition of Sections 68.1(x) and 68.2(i) to Part 68 (Insurance Regulation 83) (Charges For Professional Health Services) of Title 11 NYCRR, effective April 23, 1997.

Statutory Authority: Insurance Law Sections 201, 301, and Article 51.

Insurance Law Article 51 contains the provisions authorizing the establishment of a no-fault reparations system for persons injured in motor vehicle accidents, and Section 5108 specifically authorizes the Superintendent to adopt or promulgate fee schedules for health care benefits payable under the no-fault system.

The Superintendent is required to promulgate rules and regulations implementing and coordinating the fee schedules adopted by the Chair of the Workers’ Compensation Board for medical, chiropractic and podiatric services. These schedules also include fees for some dental, psychiatric and physical therapy services. In 1996 the Chair adopted a new fee schedule. This rulemaking adopted that same schedule for use under the no-fault system.

In 2002, effective October 23, 2002, the Department amended the regulation to repeal those fee schedules that had been superseded by fee schedules established by the Workers’ Compensation Board.

In 2004, effective October 6, 2004, the Department amended the regulation to adopt revised standards for charges for professional health care services, including adoption of the fee schedule set forth in the New York State Medicaid Management Information System Provider Manual for durable medical equipment, medical/surgical supplies, orthopedic footwear, and orthotic and prosthetic appliances.

In 2008, effective April 16, 2008, the Department amended the regulation to repeal the fee schedules previously established by the Department for prescription drugs, durable medical equipment, medical/surgical supplies, orthopedic footwear, and orthotic and prosthetic appliances that are now covered by the two fee schedules established by the Workers’ Compensation Board, and to clarify that a
pharmacy is deemed to be a provider of health services for purposes of eligibility of direct payments pursuant to Regulation 68-C.

In 2010, effective September 22, 2010, the Department amended the regulation to adopt the Workers’ Compensation Board Dental Fee Schedule.

The regulation was amended in 2017, 2019, and 2020 as described above.

- Amendment to Subpart 186 (Insurance Regulation 27-B) (Insurance Covering Debtors or Personal Property Purchased on Installment or Deferred Payment Plan) of Title 11 NYCRR, effective April 9, 1997.
  Statutory Authority: Insurance Law Sections 201 and 301 and Article 23.

The regulation sets forth minimum requirements for disclosure, policy provisions, policy cancellations, form and rate filing, reporting of experience statistics, and adjustment of claims for policies issued in New York covering debtors and/or creditors on personal property purchased on installment or deferred payment plans. This rulemaking was technical in nature, merely amending the regulation to conform to amendments to the Insurance Law.

- Repeal of Part 63 (Regulation 61) and Adoption of new Part 63 (Regulation 61) (Financial Guaranty Insurance) of Title 11 NYCRR, effective April 2, 1997.
  Statutory Authority: Insurance Law Sections 201, 301, 6903(a), and 6907(b) and Article 69.

Article 69, effective May 14, 1989, was added to the Insurance Law to define and authorize the sale of certain types of financial guaranty insurance. Article 69 superseded Part 63 for all new financial guaranties. However, Sections 6903(a)(2) and 6907(b) provide that certain reserve requirements that were applicable for municipal bond guaranties prior to the effective date of Article 69 would continue to apply to all financial guaranties in force prior to the dates set forth in the respective sections. The specific reserve requirements that must be met are different depending on whether the insurer is currently organized and licensed as a financial guaranty insurance corporation pursuant to Article 69.
This Part sets forth the reserve requirements for financial guaranty insurance in force prior to May 14, 1989, the effective date of Article 69 of the Insurance Law.

- Amendment to Subpart 60-2 (Insurance Regulation 35-D) (Supplementary Uninsured Motorist Insurance) of Title 11 NYCRR, effective February 26, 1997.

  Statutory Authority: Insurance Law Sections 201, 301, and 3420.

  This Subpart interprets Insurance Law Section 3420(f)(2) and establishes a standard form for SUM coverage in order to eliminate ambiguity, minimize confusion, and maximize its utility.

  The 1997 rulemaking was adopted to clarify certain provisions of the Subpart, including a specific provision providing that the per person limit of liability is also applicable to the limit of liability per accident and to reflect an increase in the required minimum limits of liability for motor vehicle liability insurance.

  The regulation was amended in 2017, 2018, and 2020 as described above.

- Amendment to Part 135 (Insurance Regulation 67) (Reporting of Certain Financial Transactions) of Title 11 NYCRR, effective February 5, 1997.

  Statutory Authority: Insurance Law Sections 301 and 307; Retirement and Social Security Law Sections 15 and 315; Education Law Section 523; Administrative Code of the City of New York, Sections 13-193, 13-266, 13-378, and 13-562; and Rules and Regulations of the Retirement Board of the Board of Education of the City of New York, Section 25.

  The regulation required reporting of certain financial transactions and reserve liabilities by public retirement systems maintained by the City of New York and the State of New York. This amendment repealed obsolete and invalid provisions and made technical revisions to update the statutory references.
In 2010, effective February 24, 2010, the Department repealed the regulation to eliminate requirements relating to a previous annual statement form that was no longer in use and to eliminate regulatory provisions that were no longer applicable to any person.

- Amendment to Part 67 (Insurance Regulation 79) (Mandatory Inspection of Certain Private Passenger Automobiles) of Title 11 NYCRR, effective February 5, 1997.

  Statutory Authority: Insurance Law Sections 201, 301, 3411, and 5303 and Article 53.

  Insurance Law Section 3411 sets forth a framework for providing physical damage coverage to private passenger automobiles. Inspections of such vehicles have been required since 1977 in order to combat insurance fraud (as where, for instance, coverage is purchased for a non-existent vehicle, or for a damaged vehicle). Section 3411 also provides that the Superintendent, by regulation, may relieve insurers of the requirement to inspect private passenger motor vehicles where circumstances obviate the need.

  The rule was adopted to alleviate the cost and burden to insurers, as well as consumers, where circumstances obviate or minimize the need for applicability of the provisions of this article.

  The rule was amended in 2014, effective April 1, 2015 (December 31, 2014 State Register) to revise the requirements placed on insurers with respect to the inspection of private passenger automobiles for physical damage coverage, specifically to eliminate or amend unnecessary or obsolete provisions that are unduly burdensome to insurers and insureds.

  Comments on Insurance rulemakings may be submitted to Sally Geisel, Supervising Attorney – Sally.Geisel@dfs.ny.gov; (212) 480-7608; New York State Department of Financial Services, One State Street, New York, NY 10004.

3. BANKING RULEMAKINGS

The following Banking rulemakings were adopted in 2019:
• Amendment to Part 301.6 of the Superintendent’s Regulations (Security at Automated Teller Machines: Report of Compliance)

  Description of rule: The rule describes the report of compliance required to be filed with the Department pursuant to Banking Law Section 75-g.

  Legal basis for the rule: Banking Law §§ 12, 75-n, as amended by Laws of 2011, Chapter 62, Part A, 104(e), and Financial Services Law §§ 202, 302.

  Need for rule: The rule is necessary to clarify when the report must be filed and the required language of the report.

• Amendment to Part 400.11 of the Superintendent’s Regulations (Fees)

  Description of rule: The rule outlines the permissible fees for the cashing of checks, drafts or money orders by licensed check cashers in New York.

  Legal basis for the rule: Banking Law §§ 12, 37.3, 367, 369, 371 and 372.

  Need for rule: The rule is necessary to clarify the permissible amount of a fee for the cashing of checks, drafts or money orders by licensed check cashers in New York.

• Adoption of New Part 409 of the Superintendent’s Regulations (Student Loan Servicers)

  Description of rule: The rule describes the regulation of student loan servicers by the Department.

  Legal basis for the rule: Banking Law §§ 10, 11, 14, 718 and Article 14-A and Financial Services Law §§ 102, 201, 202, 301 and 302.

  Need for rule: The rule is necessary to set forth the requirements and duties of student loan servicers in New York.

• Adoption of New Part 418 of the Superintendent’s Regulations (Mortgage Loan Servicers: Registration Requirements; Financial Responsibility Requirements)
Description of rule: The rule describes the registration and financial responsibility requirements of mortgage loan servicers in New York.

Legal basis for the rule: Banking Law, Articles 12-D, 12-E, 12D, § 14 as amended by the Laws of 2011, Chapter 62, Part A § 104(e), (g); Financial Services Law §§ 202, 302.

Need for rule: The rule is necessary to set forth the registration and financial responsibility requirements of mortgage loan servicers in New York.

- Adoption of New Part 419 of the Superintendent’s Regulations (Servicing Mortgage Loan Loans: Business Conduct Rules)

Description of rule: The rule describes the business conduct rules of mortgage loan servicers in New York.

Legal basis for the rule: Banking Law, Articles 12-D, 12-E, 12D, § 14 as amended by the Laws of 2011, Chapter 62, Part A § 104(e), (g); Financial Services Law §§ 202, 302.

Need for rule: The rule is necessary to set forth the business conduct rules of mortgage loan servicers in New York.

The following Banking rulemakings were adopted in 2017:

There were no new Banking regulation amendments or adoptions in 2017.

The following Banking rulemakings were adopted in 2012:

- Amendments to Part 23 of the General Regulations of the Superintendent (Call Reports)

Description of rule: This rule requires banks, trust companies and private bankers to file periodical reports of condition with the Superintendent.

Legal basis for the rule: Banking Law §§ 14.1(l) and 37(1).
Need for rule: This rule is necessary to require banks, trust companies and private bankers to file periodical reports of condition using the Federal Financial Institutions Examination Council (FFIEC) forms.

• Amendments to Part 39 of the General Regulations of the Superintendent (Exempt Organizations; Subsidiaries of Exempt Organizations)

Description of rule: This rule defined the entities engaged in the business of soliciting, negotiating, placing, processing or making mortgage loans secured by a first or junior lien that will be exempt from the registration or licensing requirements of Article 12-D of the Banking Law, and to define mortgage loan products, the brokering or funding of which do not require registration or licensing as mortgage banker or broker under Article 12-D.

Legal basis for the rule: Banking Law §§.12, 14, Article 12-D, L. 2011, Ch. 62, Part A, § 91.

Need for rule: This rule is necessary to eliminate the former exemptions from licensing as a mortgage banker or registration as a mortgage broker for consolidated subsidiaries of financial services organizations and for entities that deal solely in certain loan products.

• Adoption of a New Part 342 of the General Regulations of the Superintendent (Call Reports)

Description of rule: This rule requires branches and agencies of foreign banks, savings banks and savings and loan associations to file periodical reports of condition with the Superintendent.

Legal basis for the rule: Banking Law §§ 37, 204, 255 and 404.

Need for rule: This rule is necessary to require branches and agencies of foreign banks, savings banks and savings and loan associations to file periodical reports of condition using the Federal Financial Institutions Examination Council (FFIEC) forms.

The following Banking rulemakings were adopted in 2007:
• Amendments to Part 6.8 of the General Regulations of the Superintendent (Superintendent’s Regulations: Additional Authority of Banks, Trust Companies, Savings Banks and Savings and Loan Associations pursuant to Banking Law, Sections 14-g and 14-h: Overdraft Protection Charges)

Description of rule: This rule allows New York state-chartered banks, trust companies, savings banks and savings and loan associations to impose charges regarding insufficient funds to the same extent as national banks and federal savings associations.

Legal Basis for the rule: Banking Law §§ 13.4, 14, 14-g and 14-h.

Need for rule: This rule is necessary to make it clear that the notice to account holders regarding overdraft protection programs must be separately given and must be “clear and conspicuous” in cases in which bounce protection will be applied to a new or existing account.

• Amendments to Part 73 of the General Regulations of the Superintendent (Electronic Facilities)

Description of rule: This rule allows for a banking organization to conduct banking business at electronic facilities that are either established or shared, on a transaction fee or similar basis, by such banking facility.

Legal Basis for the rule: Banking Law §§ 14.1, 105-a, 240-a and 396-a.

Need for rule: This rule is necessary to streamline the application process for banking institutions when establishing electronic facilities.

• Amendments to Part 76 of the General Regulations of the Superintendent (Compliance with Community Reinvestment Act)

Description of rule: This rule pertains to the framework and criteria by which the Department of Financial Services assesses a banking institution’s record of helping to meet the credit needs of its entire community, including low- and moderate-income neighborhoods.

Legal Basis for the rule: Banking Law §§ 10, 14, 28-b and Art. XII.
Need for rule: This rule is necessary to conform the rule to changes in the Federal Community Reinvestment Act regulations.

- Amendments to Part 322 of the General Regulations of the Superintendent (Pledge of Assets and Maintenance of Assets by Licensed Foreign Banking Corporations in New York)

  Description of rule: This rule describes the requirement of the pledge of assets and maintenance of assets by branches or agencies of foreign banking corporations in New York.

  Legal Basis for the rule: Banking Law §§ 12, 202-b and 204.

  Need for rule: This rule is necessary to reduce the asset pledge requirement for foreign banks with “well-rated” foreign branches and agencies and allow all foreign banks to pledge a wider variety of assets.

- Amendment to Part 400.5 of the General Regulations of the Superintendent (Licensed Check Cashers: Conduct of Business)

  Description of rule: This rule describes the process of licensing for check cashers in New York state and the requirements of doing business as a check cashier.


  Need for rule: This rule is necessary to permit licensed check cashers to maintain bank accounts with banking institutions or their branches located inside New York state.

**The following Banking rulemakings were adopted in 2002:**

- Amendments to Part 41.3 of the General Regulations of the Superintendent (Prohibited Acts and Practices)

  Description of rule: The rule sets forth the guidelines for the making of high-cost mortgage loans by regulated lenders.

  Legal basis for the rule: Banking Law §§ 6-I, 6-l, 13 and 14.
Need for rule: Part 41 establishes various consumer protections with regard to the making of high
cost mortgage loans. This rule is necessary to prohibit a lender from requiring a borrower to finance single
premium credit insurance for a high cost home loan covered by Part 41.

- Adoption of New Part 41.11 of the General Regulations of the Superintendent (Single premium
insurance; debt cancellation and suspension agreement payments)

  Description of rule: The rule sets forth the guidelines for the making of high cost mortgage loans
by regulated lenders.

  Legal basis for the rule: Banking Law §§ 6-I, 6-l, 13 and 14.

  Need for rule: Part 41 establishes various consumer protections regarding the making of high cost
mortgage loans. This rule is necessary to ban the financing of single premium credit insurance, in high
cost home loans covered by Part 41.

- Amendments to Part 80 of the General Regulations of the Superintendent (Investment in Junior
Lien Mortgage Loans by Commercial Banks, Savings Banks, Credit Unions, Mortgage Bankers and
Savings and Loan Associations)

  Description of rule: The rule sets forth the guidelines for investment in junior lien mortgages by
various entities.

  Legal basis for the rule: Banking Law §§ 14, 103, 235, 380, 454 and 590-a.

  Need for rule: This rule is necessary to conform Part 80 to Part 38 of the General Regulations of
the Superintendent so that entities may comply with applicable disclosure and notification requirements
and to allow collection of processing fees.

- Amendments to Part 82 of the General Regulations of the Superintendent (Alternative Mortgage
Instruments)
Description of rule: The rule gives licensed entities the authority to enter into alternative mortgage instruments.

Legal basis for the rule: Banking Law §§ 6-f and 14[1].

Need for rule: This rule is necessary to conform Part 82 to Part 38 of the General Regulations of the Superintendent so that entities may comply with applicable disclosure and notification requirements and to allow collection of processing fees.

- Amendments to Part 322 of the General Regulations of the Superintendent (Pledge of Assets and Maintenance of Assets by Licensed Foreign Banking Corporations in New York)

   Description of rule: The rule describes the requirement of the pledge of assets and maintenance of assets by branches or agencies of foreign banking corporations in New York.

   Legal basis for the rule: Banking Law §§ 12, 202-b and 204.

   Need for rule: This rule is necessary to provide all foreign banking institutions some relief from the current requirements in the form of a reduction for most institutions in the amount of assets required to be pledged, as well as additional flexibility in the types of assets that may be pledged, and an easing of certain administrative aspects of compliance with the requirements.

- Amendments to Part 333.1 of the General Regulations of the Superintendent (Indices Which may be used in Connection with Variable Rate Closed-End Personal Loans made by Lending Institutions Pursuant to Part 33 or in Connection with Variable Rate Open-Ended Accounts Established by Banking Institutions Pursuant to Part 90)

   Description of rule: The rule sets forth the list of indices used by banking institutions which are making variable rate closed-end personal loans pursuant to the provisions of Part 33 of the General Regulations of the Superintendent or for use by banking institutions which establish variable rate open-end accounts pursuant to Part 90 of the General Regulations of the Secretary.
Legal basis for the rule: Banking Law §§ 12, 202-b and 204.

Need for rule: This rule is necessary to add LIBOR to the list of indices used by banking institutions which are making variable rate closed-end personal loans pursuant to the provisions of Part 33 of the General Regulations of the Superintendent or for use by banking institutions which establish variable rate open-end accounts pursuant to Part 90 of the General Regulations of the Secretary.

- Amendment to Supervisory Procedure G 106.3 (Public Access to Department of Financial Services Records: Records Access Officer)

  Description of rule: The rule describes the process by which the public may access Department of Financial Services records.

  Legal basis for the rule: Banking Law §§ 12, 36.10; Public Officers Law §§ 87, 89.

  Need for rule: This rule has since been amended to state that the records access officer shall be designated by the general counsel from the attorneys in the office of the general counsel.

- Amendment to Supervisory Procedure G 114 (Access to Personal Information: Designation of Privacy Compliance Officer)

  Description of rule: The rule describes the process by which the public may access Department of Financial Services records.

  Legal basis for the rule: Banking Law §§ 12, 36.10; Public Officers Law §§ 87, 89.

  Need for rule: This rule has since been amended to state that the privacy compliance officer shall be designated by the general counsel from the attorneys in the office of the general counsel.

The following Banking rulemakings were adopted in 1997:

- Amendment to Part 5.1 of the General Regulations of the Superintendent (Internal and External Audits at Branches and Agencies of Foreign Banking Corporations: Purpose)
Description of rule: The rule sets forth criteria which would require under certain circumstances that foreign branches and agencies utilize independent external and internal auditors satisfactory to the superintendent.

Legal basis for the rule: Banking Law §§ 14, 37 and 204.

Need for rule: Part 5.a is necessary because it requires control enhancements to the auditing process which reduce the risk of fraud and promote a safe and sound banking environment.

- Amendment to Part 5.2 of the General Regulations of the Superintendent (Internal and External Audits at Branches and Agencies of Foreign Banking Corporations: Definitions)

  Description of rule: The rule defines various terms used in Part 5.

  Legal basis for the rule: Banking Law §§ 14, 37 and 204.

  Need for rule: Part 5.2 is necessary because it clarifies the meaning of various terms used through Part 5.

- Amendment to Part 5.3 of the General Regulations of the Superintendent (Internal and External Audits at Branches and Agencies of Foreign Banking Corporations: External Audits)

  Description of rule: The rule requires foreign bank offices with a composite ROC-A rating of four or worse; a separate operational controls (“O”) rating of four or worse; and, on a case-by-case basis, an O rating of three or worse to engage an independent external auditor.

  Legal basis for the rule: Banking Law §§ 14, 37 and 204.

  Need for rule: Part 5.3 is necessary because it sets forth the circumstances under which a foreign bank office would be required to engage an independent external auditor.

- Amendment to Part 5.4 of the General Regulations of the Superintendent (Internal and External Audits at Branches and Agencies of Foreign Banking Corporations: Internal Audits)
Description of rule: The rule requires that foreign bank offices with a composite ROC-A rating of four or worse; a separate operational controls (“O”) rating of four or worse; and, on a case-by-case basis, an O rating of three or worse, must have comprehensive on-site audits performed annually by either the foreign banking corporation’s head office internal auditors or foreign bank office resident or regional internal auditors who report directly to the head office.

Legal basis for the rule: Banking Law §§ 14, 37 and 204

Need for rule: Part 5.2 is necessary because it sets forth the circumstances under which a foreign bank office would be required to have its internal audit performed by the foreign banking corporation’s internal auditors or foreign bank office resident or regional internal auditors who report directly to the head office.

• Amendment to Part 5.5 of the General Regulations of the Superintendent (Internal and External Audits at Branches and Agencies of Foreign Banking Corporations: Compliance with Laws and Regulations)

Description of rule: The rule requires that coincidental with the reports issued pursuant to Part 5.3, a foreign bank office’s management shall assert its compliance with applicable laws and regulations.

Legal basis for the rule: Banking Law §§ 14, 37 and 204

Need for rule: Part 5.5 is necessary because it promotes safety and soundness by requiring that management of a foreign bank office formally assert that the office is in compliance with applicable laws and regulations.

• Amendment to Part 5.6 of the General Regulations of the Superintendent (Internal and External Audits at Branches and Agencies of Foreign Banking Corporations: Additional actions and orders)
Description of rule: The rule states that the requirements outlined in Part 5 are in addition to any other additional supervisory or enforcement actions that the superintendent may impose against a foreign bank office.

Legal basis for the rule: Banking Law §§ 14, 37 and 204

Need for rule: Part 5.6 is necessary because it clarifies that the requirements outlined in Part 5 are in addition to any other additional supervisory or enforcement actions that the superintendent may impose against a foreign bank office.

- Amendment to Part 5.7 of the General Regulations of the Superintendent (Internal and External Audits at Branches and Agencies of Foreign Banking Corporations: Compliance with Federal regulations)

Description of rule: The rule states that compliance by an insured foreign bank office with section 112 of the Federal Deposit Insurance Corporation Improvement Act, (12 U.S.C. § 1831m), as it may be amended from time to time, shall be deemed compliance by that insured foreign bank office with section Part 5.3(a), subject to the superintendent’s authority to require additional procedures as may be deemed to be necessary.

Legal basis for the rule: Banking Law §§ 14, 37 and 204

Need for rule: Part 5.7 is necessary because it clarifies that a foreign bank office may be deemed in compliance with Part 5.3(a) by being in compliance with 12 U.S.C. § 1831m.

- Amendment to Part 76.1 of the General Regulations of the Superintendent (Compliance with Community Reinvestment Act Requirements: Statement of policy: Explanation)

Description of rule: Part 76 establishes the framework and criteria by which the department assesses a banking institution’s record of helping to meet the credit needs of its entire community, including low- and moderate- income neighborhoods, consistent with the safe and sound operation of the banking institution.
Legal basis for the rule: Banking Law §§ 10, 14, 28-b, and Article XII.

Need for rule: The rule carries out the purpose of the Community Reinvestment Act ("CRA") by having the superintendent assess a banking institution’s record of helping to meet the credit needs of the local communities in which the banking institution is chartered.

- Amendment to Part 76.2 of the General Regulations of the Superintendent (Compliance with Community Reinvestment Act Requirements: Definitions)

  Description of rule: The rule defines various terms used throughout Part 76.

  Legal basis for the rule: Banking Law §§ 10, 14, 28-b, and Article XII.

  Need for rule: Part 5.2 is necessary because it clarifies the meaning of various terms used through Part 76.

- Amendment to Part 76.3 of the General Regulations of the Superintendent (Compliance with Community Reinvestment Act Requirements: Statement of policy: Filing Requirements)

  Description of rule: The rule lists the documents that each banking institution is required to file with the superintendent to comply with the Community Reinvestment Act of 1977.

  Legal basis for the rule: Banking Law §§ 10, 14, 28-b, and Article XII.

  Need for rule: Part 76.3 is necessary because it sets forth the filing requirements to establish compliance with the Community Reinvestment Act of 1977.

- Amendment to Part 76.4 of the General Regulations of the Superintendent (Compliance with Community Reinvestment Act Requirements: Statement of policy: Review of applications)

  Description of rule: The rule states that the superintendent will consider the factors set forth in section 28-b of the Banking Law and the performance tests and standards set forth in Part 76.7 in assessing a banking institution’s record of performance with respect to reviewing an application that a banking institution has submitted.
Legal basis for the rule: Banking Law §§ 10, 14, 28-b, and Article XII.

Need for rule: Part 76.4 is necessary because it explains how the superintendent will review applications submitted by banking institutions.

- Amendment to Part 76.5 of the General Regulations of the Superintendent (Compliance with Community Reinvestment Act Requirements: Community Reinvestment Act Assessments: Public Disclosure)

  Description of rule: The rule states that the Department will conduct community reinvestment evaluations once every 24 to 36 months, assign a rating to each institution based on its performance, and make these ratings, along with the accompanying summaries, publicly available.

  Legal basis for the rule: Banking Law §§ 10, 14, 28-b, and Article XII.

  Need for rule: Part 76.5 is necessary because it explains the process of community reinvestment evaluations.

- Amendments to Part 76.6 of the General Regulations of the Superintendent (Compliance with Community Reinvestment Act Requirements: Assessment Area Delineation)

  Description of rule: The rule states that a banking institution shall delineate one or more assessment areas within which the Department evaluates the banking institution’s record of helping to the meet the credit needs of its community and describes the requirements for the assessment.

  Legal basis for the rule: Banking Law §§ 10, 14, 28-b, and Article XII.

  Need for rule: Part 76.6 is necessary because it describes the methods and requirements for assessment area delineation by a banking institution for Community Reinvestment purposes.

- Amendments to Part 76.7 of the General Regulations of the Superintendent (Compliance with Community Reinvestment Act Requirements: Performance Tests and Standards)
Description of rule: The rule outlines the performance tests and standards used by the Department to assess a banking institution’s Community Reinvestment Act performance.

Legal basis for the rule: Banking Law §§ 10, 14, 28-b, and Article XII.

Need for rule: Part 76.7 is necessary because it explains how the Department conducts the performance tests and standards to assess a banking institution’s Community Reinvestment Act performance.

- Amendments to Part 76.8 of the General Regulations of the Superintendent (Compliance with Community Reinvestment Act Requirements: Lending Test)

Description of rule: The rule describes the scope and the factors involved in the lending test conducted by the Department.

Legal basis for the rule: Banking Law §§ 10, 14, 28-b, and Article XII.

Need for rule: Part 76.8 is necessary because it clarifies the specific aspects of a lending test and factors the Department will use in conducting lending tests.

- Amendments to Part 76.9 of the General Regulations of the Superintendent (Compliance with Community Reinvestment Act Requirements: Investment Test)

Description of rule: The rule describes the scope and the factors involved in the investment test conducted by the Department.

Legal basis for the rule: Banking Law §§ 10, 14, 28-b, and Article XII.

Need for rule: Part 76.9 is necessary because it clarifies the specific aspects of a lending test and factors the Department will use in conducting investment tests.

- Amendments to Part 76.10 of the General Regulations of the Superintendent (Compliance with Community Reinvestment Act Requirements: Service Test)
Description of rule: The rule describes the scope and the factors involved in the service test conducted by the Department.

Legal basis for the rule: Banking Law §§ 10, 14, 28-b, and Article XII.

Need for rule: Part 76.10 is necessary because it clarifies the specific aspects of a service test and factors the Department will use in conducting service tests.

- Amendments to Part 76.11 of the General Regulations of the Superintendent (Compliance with Community Reinvestment Act Requirements: Community Development Test for Wholesale or Limited Purpose Banking Institutions)

Description of rule: The rule describes the scope and the factors involved in the community development test for wholesale or limited purpose banking institutions.

Legal basis for the rule: Banking Law §§ 10, 14, 28-b, and Article XII.

Need for rule: Part 76.11 is necessary because it clarifies the specific aspects of a community development test for wholesale or limited purpose banking institutions.

- Amendments to Part 76.12 of the General Regulations of the Superintendent (Compliance with Community Reinvestment Act Requirements: Small Banking Institution Performance Standards)

Description of rule: The rule describes the Community Reinvestment evaluation process of small banking institution performance standards.

Legal basis for the rule: Banking Law §§ 10, 14, 28-b, and Article XII.

Need for rule: Part 76.12 is necessary because it clarifies the performance standards of small banking institution regarding Community Reinvestment.

- Amendments to Part 76.13 of the General Regulations of the Superintendent (Compliance with Community Reinvestment Act Requirements: Strategic Plan)
Description of rule: The rule describes how the Department will assess a banking institution’s record of helping to meet the credit needs of its assessment area under a strategic plan and the requirements of such plan.

Legal basis for the rule: Banking Law §§ 10, 14, 28-b, and Article XII.

Need for rule: Part 76.13 is necessary because it clarifies the requirements of strategic plan for approval by the Department.

Amendments to Part 76.14 of the General Regulations of the Superintendent (Compliance with Community Reinvestment Act Requirements: High-Cost Areas)

Description of rule: The rule states that the department recognizes the demographics and housing characteristics of high-cost areas and outlines the considerations that the department takes in its evaluation of these areas.

Legal basis for the rule: Banking Law §§ 10, 14, 28-b, and Article XII.

Need for rule: Part 76.14 is necessary because it establishes various consumer protections with regard to the making of high cost mortgage loans. This rule is necessary to prohibit a lender from requiring a borrower to finance single premium.

Amendments to Part 76.15 of the General Regulations of the Superintendent (Compliance with Community Reinvestment Act Requirements: Other Documents)

Description of rule: The rule states that the Department when taking any action under Banking Law section 29 relating to the opening of a branch or public accommodation office or under Banking Law section 601-b relating to the approval or disapproval of a merger or purchase of assets, may request documents in connection with these applications.

Legal basis for the rule: Banking Law §§ 10, 14, 28-b, and Article XII.
Need for rule: Part 76.15 is necessary because it gives notice that other documents may be requested by the Department with regard to Community Reinvestment Act assessments.

- Amendments to Part 80.7 of the General Regulations of the Superintendent (Investment in Junior Lien Mortgage Loans by Commercial Banks, Savings Banks, Credit Unions, Mortgage Bankers and Savings and Loan Associations: Appraisal)

  Description of rule: The rule states that no junior mortgage loan shall be made except upon a written and signed certificate which state that the property securing such loan has been examined and which appraises the value of such property.

  Legal basis for the rule: Banking Law §§ 14, 103, 235, 380, 454 and 590-a.

  Need for rule: Part 80.7 is necessary because it requires a signed certificate stating the property has been appraised and examined in order for a junior lien mortgage.

- Amendments to Part 80.10 of the General Regulations of the Superintendent (Investment in Junior Lien Mortgage Loans by Commercial Banks, Savings Banks, Credit Unions, Mortgage Bankers and Savings and Loan Associations: Revolving Credit Accounts)

  Description of rule: The rule sets forth the requirements of revolving credit account secured by a junior lien mortgage.

  Legal basis for the rule: Banking Law §§ 14, 103, 235, 380, 454 and 590-a.

  Need for rule: Part 80.10 is necessary because it establishes requirements for revolving credit accounts secured by a junior lien mortgages.

- Amendments to Part 82.9 of the General Regulations of the Superintendent (Alternative Mortgage Instruments: Compliance with Federal Regulation)

  Description of rule: The rule states that any bank, trust company, savings bank, savings and loan association, credit union, mortgage banker and branch or agency of a foreign banking corporation are
deemed to be in compliance with Parts 82.5, 82.6(a), 80.4(a) and 80.10(a) if those institutions are in compliance with certain sections of federal regulations with respect to adjustable-rate first lien mortgage transactions and home equity plans.

Legal basis for the rule: Banking Law §§ 6-f and 14[1].

Need for rule: Part 82.9 is necessary because it explains when the above-described institutions are in compliance with NY regulations with respect to adjustable-rate first lien mortgage transactions and home equity plans.

- Amendments to Part 321.3 of the General Regulations of the Superintendent (Loans to Executive Officers and Directors of Banks and Bank Holding Companies: Loans to Executive Officers and Directors)

Description of rule: The rule states that circumstances of when a bank or bank holding company institution may make a loan to an executive officer or a director.

Legal basis for the rule: Banking Law §§ 103.8, 130.5-6, 142.3(b) and 143.2.

Need for rule: Part 321.3 is necessary because it explains when a loan made to an executive officer or a director may be permissible.

- Amendments to Part 321.4 of the General Regulations of the Superintendent (Loans to Executive Officers and Directors of Banks and Bank Holding Companies: Additional Restrictions on Loans to Executive Officers)

Description of rule: The rule sets forth additional restrictions on loans to executive officers.

Legal basis for the rule: Banking Law §§ 103.8, 130.5-6, 142.3(b) and 143.2.

Need for rule: Part 321.4 is necessary because it clarifies any additional restrictions on loans to executive officers.
• Amendments to Part 321.5 of the General Regulations of the Superintendent (Loans to Executive Officers and Directors of Banks and Bank Holding Companies) (Reports of Executive Officers’ Indebtedness to other Banks)

Description of rule: The rule sets forth the requirement that an executive officer who becomes indebted to any domestic or foreign banking corporation for over a certain amount must file a report with the board of directors stating the date and amount of such loan or indebtedness.

Legal basis for the rule: Banking Law §§ 103.8, 130.5-6, 142.3(b) and 143.2.

Need for rule: Part 321.5 is necessary because it establishes a requirement that a report must filed so that the board of directors will be aware of such executive officer’s indebtedness.

• Amendments to Part 321.9 of the General Regulations of the Superintendent (Loans to Executive Officers and Directors of Banks and Bank Holding Companies: Compliance with Federal Regulation)

Description of rule: The rule states that if a banking organization is in compliance with Regulation O of the Board of Governors of the Federal Reserve System it shall be deemed in compliance with this rule.

Legal basis for the rule: Banking Law §§ 103.8, 130.5-6, 142.3(b) and 143.2.

Need for rule: Part 312.9 is necessary because it clarifies certain circumstances when a banking institution is in compliance with Part 321.

• Amendments to Part 410.7 of the General Regulations of the Superintendent (Mortgage Bankers: Books and Records; Annual Reports)

Description of rule: The rule describes the manner in which mortgage bankers shall keep and maintain its books and records and it also describes the annual reports which must be filed with the Department.

Legal basis for the rule: Banking Law §§ 103.8, 130.5-6, 142.3(b) and 143.2.
Need for rule: Part 410.7 is necessary because it clarifies the Department’s requirements regarding the maintenance of a mortgage banker’s books and records and annual reports.

- Amendments to Part 410.8 of the General Regulations of the Superintendent (Mortgage Bankers: Corporate Surety Bonds for Mortgage Bankers)

  Description of rule: The rule sets forth the surety bond requirements for mortgage bankers.

  Legal basis for the rule: Banking Law §§ 103.8, 130.5-6, 142.3(b) and 143.2.

  Need for rule: Part 410.8 is necessary because it clarifies the amount and terms of surety bonds filed by mortgage bankers.

  Comments on Banking Rulemakings may be submitted to Christine Tomczak, Assistant Counsel – Christine.Tomczak@dfs.ny.gov; (212) 709-1642; New York State Department of Financial Services, One State Street, New York, NY 10004.

4. FINANCIAL SERVICES RULEMAKINGS

There were no new or amended Financial Services rulemakings adopted in 2019.

The following Financial Services rulemakings were adopted in 2017:

- Adoption of new Part 500 (Cybersecurity Requirements for Financial Services Companies) to Title 23 NYCRR, effective March 1, 2017.

  Statutory Authority: Financial Services Law Sections 102, 201, 202, 301, 302, and 408.

  The regulation was adopted to require that all financial services providers regulated by the Department have and maintain cybersecurity programs that meet certain minimum cybersecurity standards in order to protect consumers and to continue operating in a safe and sound manner.

- Adoption of new Part 501 (Nationwide Multistate Licensing System and Registry) to Title 23 NYCRR, effective October 4, 2017.
Statutory Authority: Banking Law Sections 10, 14, 359, 371, 498-b, 561, 587, and 649 and Financial Services Law Sections 102, 201, 202, 301, 302, 309, and 408.

The regulation was adopted to permit, on a voluntary basis, a broader range of regulated entities and applicants to make certain submissions electronically to the Department through the Nationwide Multistate Licensing System and Registry rather than make, as was required under the former rule, hard-copy submissions to the Department.

Comments on these Financial Services rulemakings may be submitted to Thomas Eckmier, Deputy General Counsel – Tom.Eckmier@dfs.ny.gov; (212) 709-1661; New York State Department of Financial Services, One State Street, New York, NY 10004.

There were no new or amended Financial Services rulemakings adopted in 2012.