

**NEW YORK STATE DEPARTMENT OF FINANCIAL SERVICES
SECOND AMENDMENT TO 11 NYCRR 12
(INSURANCE REGULATION 50)**

**AGENT TRAINING ALLOWANCE SUBSIDIES
FOR CERTAIN LIFE INSURANCE AND ANNUITY BUSINESS**

I, Adrienne A. Harris, Superintendent of Financial Services, pursuant to the authority granted by Financial Services Law Sections 202 and 302 and Insurance Law Sections 301 and 4228, do hereby promulgate the following Second Amendment to Part 12 of Title 11 of the Official Compilation of Codes, Rules and Regulations of the State of New York (Insurance Regulation 50), to take effect upon publication of the Notice of Adoption in the State Register, to read as follows:

(MATTER IN BRACKETS IS DELETED; MATTER UNDERLINED IS NEW)

Section 12.2 is amended as follows:

Insurance Law section 4228(e)(3)(G) provides that the superintendent shall periodically adjust the cumulative maximum training allowance subsidy limits to agents set forth in sections 4228(e)(3)(C) through (E) for agents with respect to the types of policies specified in Insurance Law section 4228(a). Accordingly, the amounts as specified in section 4228(e)(3)(C) through (E) are adjusted as follows:

(a) Subparagraph (e)(3)(C): an agent may receive a training allowance subsidy, provided that:

(1) the agent has earned less than [~~\$30,000~~] \$36,000 from the sale of policies and contracts cumulatively during the three years prior to such agent's appointment; or

(2) less than 25 percent of the agent's earned income has been received from the sale of policies and contracts during each of the three years prior to appointment.

(b) Subparagraph (e)(3)(D): an agent may not receive a training allowance subsidy, on a cumulative basis:

(1) for an agent in the first year of the subsidies, the greater of [~~\$43,000~~] \$51,000 and 60 percent of the first year commission limit;

(2) for an agent in the second year of the subsidies, the greater of [~~\$67,000~~] \$80,000 and 60 percent of the first year commission limit in the first year and 40 percent of the first year commission limit in the second year;

(3) for an agent in the third year of such subsidies, the greater of [~~\$82,000~~] \$97,000 and 60 percent of the first year commission limit in the first year and 40 percent of the first year commission limit in the second year, and 20 percent of the first year commission limit for the third year; and

(4) for an agent in the fourth year of such subsidies, the greater of [\$90,000] \$107,000 and 60 percent of the first year commission limit in the first year and 40 percent of the first year commission limit in the second year, 20 percent of the first year commission limit in the third year, and 10 percent of the first year commission limit in the fourth year.

(c) Subparagraph (e)(3)(E): if the agent has earned at least [\$99,000] \$117,000 of income during either of the two calendar years immediately preceding commencement of receipt of training allowance subsidies, a company may pay additional training allowance subsidies of [\$1,500] \$1,800 to the agent during each of the first two years of this agent's receipt of training allowance subsidies for every [\$3,000] \$3,600 of the earned income in excess of [\$99,000] \$117,000, provided that the cumulative training allowance subsidy does not exceed [\$68,000] \$81,000 in the agent's first year of receipt of training allowance subsidy and provided further that the agent receives not greater than [\$90,000] \$107,000 in total training allowance subsidies.

KATHY HOCHUL
Governor



ADRIENNE A. HARRIS
Superintendent

CERTIFICATION

I, Adrienne A. Harris, Superintendent of Financial Services, do hereby certify that the foregoing is the Second Amendment to Part 12 of Title 11 of the Official Compilation of Codes, Rules and Regulations of the State of New York (Insurance Regulation 50), entitled Agent Training Allowance Subsidies for Certain Life Insurance And Annuity Business, signed by me on August 5, 2022, pursuant to the authority granted by Sections 202 and 302 of the Financial Services Law, and Sections 301 and 4228 of the Insurance Law, to take effect upon publication of the Notice of Adoption in the State Register.

Pursuant to the provisions of the State Administrative Procedure Act, prior notice of the proposed rule was published in the New York State Register on May 25, 2022. No other publication or prior notice is required by statute.

Signed copy filed with Department of State
Adrienne A. Harris
Superintendent of Financial Services

Date: August 5, 2022