

## Financial Services, Department of

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### Mission

Legislation enacted with the FY 2012 Budget established the Department of Financial Services, integrating the New York State Banking Department and the Insurance Department into a modern, consolidated financial regulator overseeing industries that are critical to the State's financial vitality. The mission of the Department consists of the following activities and objectives:

- Foster continued growth of the financial industry in New York and spur State economic development through judicious regulation and vigilant supervision;
- Ensure the continued solvency, safety, soundness, and prudent conduct of the providers of financial products and services;
- Ensure fair, timely, and equitable fulfillment of industry financial obligations;
- Ensure the current and continuing solvency of providers and practitioners;
- Ensure high standards of honesty, transparency, fair business practices, and public responsibility;
- Educate the public regarding the nature and use of financial products and services and ensure that consumers have access to understandable information so that they may make responsible decisions about financial products and services.

### Organization and Staffing

The Superintendent of the Department of Financial Services is appointed by the Governor, with the consent of the Senate. The Department's main offices are located in Albany and New York City with smaller offices located throughout the State.

### Budget Highlights

The FY 2023 Executive Budget recommends \$480.8 million for the Department, an increase of almost \$11.4 million from the FY 2022 budget.

The Executive Budget recommends a workforce of 1,391 FTEs for the Department, which is an increase of 57 FTEs from revised FY 2022 levels.

Major budget actions include:

- Funding of \$11 million to support the Commuter Van Stabilization program.
- An increase of \$5 million to support the activities of the Office of Pharmacy Benefits.
- Funding of \$3 million to support the Education Debt Consumer Assistance Program.
- Funding to support increased resources for the Office for Economic Justice (SOFIE) to help staff and fund the program.
- Funding of \$750,000 to establish an Older Adult Abuse Financial Exploitation Prevention Program, through a collaborative effort with the NYS Office for the Aging.
- Legislation to amend the Public Officers Law to allow for disclosure of records to the US Department of Education for qualifying state employees for the Public Service Loan Forgiveness Program.
- Legislation for a year long extension of the assistance demonstration project, regarding insurance for displaced workers.

### Program Highlights

The Department's main responsibilities are carried out through three major programs: administration, regulation, and consumer protection.

#### *Administration*

The Administration Program provides the basic executive direction, fiscal, personnel, legal, and electronic data processing activities that support the Department's operations.

#### *Regulation*

## NYS DOB | FY 2023 Executive Budget | Agency Appropriations

To ensure the safety and soundness of all regulated entities, the Department monitors banks, insurance companies, and other financial institutions to identify problems, and works with management to promptly solve them. The Department carries out this responsibility through on-site examinations, regular review of institutional financial reports, and periodic site visits.

### **Consumer Protection**

To ensure that State-chartered banking institutions are complying with State laws and regulations and that no individuals are unfairly denied credit, Department employees conduct consumer compliance examinations and resolve consumer complaints. Staff monitor whether institutions are helping to meet the credit and banking needs of local communities as required by various State laws. The Department strives for the fair treatment of insurance policyholders, claimants, and the public through the regulation of company claim payments and sales practices, responses to consumer complaints, and the timely review of insurance company denials of coverage. The Department promotes high standards of industry conduct and competence through testing, oversight, and pre-licensing and enforcing educational standards of licensees. The Department proactively educates consumers regarding unscrupulous financial industry practices and products, and advocates on behalf of consumers who have been defrauded or harmed by such abuses.

### **ALL FUNDS APPROPRIATIONS (dollars)**

Category	Available FY 2022	Appropriations Recommended FY 2023	Change From FY 2022	Reappropriations Recommended FY 2023
State Operations	399,433,293	396,939,124	(2,494,169)	162,508,000
Aid To Localities	70,024,700	83,917,200	13,892,500	2,366,000
<b>Total</b>	<b>469,457,993</b>	<b>480,856,324</b>	<b>11,398,331</b>	<b>164,874,000</b>

### **ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS**

Program	FY 2022 Estimated FTEs 03/31/22	FY 2023 Estimated FTEs 03/31/23	FTE Change
Administration			
Special Revenue Funds - Other	79	79	0
Banking			
Special Revenue Funds - Other	449	449	0
Insurance			
Special Revenue Funds - Other	806	863	57
<b>Total</b>	<b>1,334</b>	<b>1,391</b>	<b>57</b>

### **STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)**

Fund Type	Available FY 2022	Recommended FY 2023	Change
Special Revenue Funds - Federal	1,400,000	0	(1,400,000)
Special Revenue Funds - Other	398,033,293	396,939,124	(1,094,169)
<b>Total</b>	<b>399,433,293</b>	<b>396,939,124</b>	<b>(2,494,169)</b>
Adjustments:			
Transfer(s) From			
Special Pay Bill			
General Fund	(20,589,330)		

Appropriated FY 2022	<b>378,843,963</b>		
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**STATE OPERATIONS  
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM  
APPROPRIATIONS  
(dollars)**

Program	Available FY 2022	Recommended FY 2023	Change
<b>Administration</b>			
Special Revenue Funds - Other	86,162,986	84,785,718	(1,377,268)
<b>Banking</b>			
Special Revenue Funds - Other	94,605,408	92,897,741	(1,707,667)
<b>Insurance</b>			
Special Revenue Funds - Federal	1,400,000	0	(1,400,000)
Special Revenue Funds - Other	217,264,899	219,255,665	1,990,766
<b>Total</b>	<b>399,433,293</b>	<b>396,939,124</b>	<b>(2,494,169)</b>

**STATE OPERATIONS - OTHER THAN GENERAL FUND  
SUMMARY OF APPROPRIATIONS AND CHANGES  
FY 2023 RECOMMENDED  
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	84,785,718	(1,377,268)	21,297,818	(841,682)
Banking	92,897,741	(1,707,667)	53,154,438	(1,021,562)
Insurance	219,255,665	590,766	109,328,223	(1,144,604)
<b>Total</b>	<b>396,939,124</b>	<b>(2,494,169)</b>	<b>183,780,479</b>	<b>(3,007,848)</b>

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration	63,487,900	(535,586)	0	0
Banking	39,743,303	(686,105)	0	0
Insurance	104,927,442	(3,264,630)	5,000,000	5,000,000
<b>Total</b>	<b>208,158,645</b>	<b>(4,486,321)</b>	<b>5,000,000</b>	<b>5,000,000</b>

**AID TO LOCALITIES  
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE  
APPROPRIATIONS  
(dollars)**

Fund Type	Available FY 2022	Recommended FY 2023	Change
General Fund	0	14,750,000	14,750,000
Special Revenue Funds - Other	70,024,700	69,167,200	(857,500)
<b>Total</b>	<b>70,024,700</b>	<b>83,917,200</b>	<b>13,892,500</b>

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**AID TO LOCALITIES**  
**ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM**  
**APPROPRIATIONS**  
 (dollars)

Program	Available FY 2022	Recommended FY 2023	Change
Administration			
Special Revenue Funds - Other	850,000	850,000	0
Banking			
General Fund	0	3,750,000	3,750,000
Insurance			
General Fund	0	11,000,000	11,000,000
Special Revenue Funds - Other	69,174,700	68,317,200	(857,500)
<b>Total</b>	<b>70,024,700</b>	<b>83,917,200</b>	<b>13,892,500</b>

Note: Most recent estimates as of 05/11/2020