

Financial Services, Department of

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 2024 Executive Budget recommends \$521 million for the Department, an increase of almost \$40.1 million from the FY 2023 budget.

The Executive Budget recommends a workforce of 1,391 FTEs for the Department, which remains consistent with FY 2023 levels.

Major budget actions include:

- Continued funding to support activities of the Office of Pharmacy Benefits.
- Funding of \$15 million to support Virtual Currency Assessments.
- Funding of \$3 million to support the Education Debt Consumer Assistance Program.
- Legislation to protect New Yorkers from predatory banking fees.
- Legislation to assist New Yorkers from going into medical debt.
- Legislation to create a prescription drug price information platform.
- Legislation to create a Health Insurance Consumer Protection Security Fund to protect patients and providers in case of an insurer's insolvency.

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

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 2023	Appropriations Recommended FY 2024	Change From FY 2023	Reappropriations Recommended FY 2024
State Operations	400,998,303	447,157,000	46,158,697	196,529,000
Aid To Localities	84,168,000	74,165,000	(10,003,000)	13,382,000
Total	485,166,303	521,322,000	36,155,697	209,911,000

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

Program	FY 2023 Estimated FTEs 03/31/23	FY 2024 Estimated FTEs 03/31/24	FTE Change
Administration			
Special Revenue Funds - Other	79	79	0
Banking			
Special Revenue Funds - Other	449	449	0
Insurance			
Special Revenue Funds - Other	863	863	0
Total	1,391	1,391	0

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

Fund Type	Available FY 2023	Recommended FY 2024	Change
Special Revenue Funds - Other	400,998,303	447,157,000	46,158,697
Total	400,998,303	447,157,000	46,158,697
Adjustments:			
Transfer(s) From			
Special Pay Bill			
General Fund	(4,031,303)		
Appropriated FY 2023	396,967,000		

NYS DOB | FY 2024 Executive Budget | Agency Appropriations
STATE OPERATIONS
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)

Program	Available FY 2023	Recommended FY 2024	Change
Administration			
Special Revenue Funds - Other	88,819,303	88,074,000	(745,303)
Banking			
Special Revenue Funds - Other	92,903,000	117,184,000	24,281,000
Insurance			
Special Revenue Funds - Other	219,276,000	241,899,000	22,623,000
Total	400,998,303	447,157,000	46,158,697

STATE OPERATIONS - OTHER THAN GENERAL FUND
SUMMARY OF APPROPRIATIONS AND CHANGES
FY 2024 RECOMMENDED
(dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	88,074,000	(745,303)	22,822,000	(930,185)
Banking	117,184,000	24,281,000	63,958,000	10,802,000
Insurance	241,899,000	22,623,000	119,042,000	7,208,000
Total	447,157,000	46,158,697	205,822,000	17,079,815

Program	Nonpersonal Service	
	Amount	Change
Administration	65,252,000	184,882
Banking	53,226,000	13,479,000
Insurance	122,857,000	15,415,000
Total	241,335,000	29,078,882

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

Fund Type	Available FY 2023	Recommended FY 2024	Change
General Fund	15,000,000	3,000,000	(12,000,000)
Special Revenue Funds - Other	69,168,000	71,165,000	1,997,000
Total	84,168,000	74,165,000	(10,003,000)

NYS DOB | FY2024 Executive Budget | Agency Appropriations
AID TO LOCALITIES
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM
APPROPRIATIONS
(dollars)

Program	Available FY 2023	Recommended FY 2024	Change
Administration			
Special Revenue Funds - Other	850,000	850,000	0
Banking			
General Fund	3,750,000	3,000,000	(750,000)
Insurance			
General Fund	11,250,000	0	(11,250,000)
Special Revenue Funds - Other	68,318,000	70,315,000	1,997,000
Total	84,168,000	74,165,000	(10,003,000)

Note: Most recent estimates as of 02/01/2023