

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 2019 Executive Budget recommends \$433.3 million for the Department, an increase of \$18.9 million from the FY 2018 budget. This increase primarily reflects general salary increases, IT upgrades and an increase in the cost of supported programs offset by natural reductions in the cost of the Healthy NY Program.

The Executive Budget recommends a workforce of 1,382 FTEs for the Department, unchanged from FY 2018 levels.

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 2018	Appropriations Recommended FY 2019	Change From FY 2018	Reappropriations Recommended FY 2019
State Operations	353,140,963	368,090,963	14,950,000	652,000
Aid To Localities	61,228,000	65,212,000	3,984,000	12,462,000
Total	414,368,963	433,302,963	18,934,000	13,114,000

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

Program	FY 2018 Estimated FTEs 03/31/18	FY 2019 Estimated FTEs 03/31/19	FTE Change
Administration			
Special Revenue Funds - Other	79	79	0
Banking			
Special Revenue Funds - Other	477	477	0
Insurance			
Special Revenue Funds - Other	826	826	0
Total	1,382	1,382	0

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

Fund Type	Available FY 2018	Recommended FY 2019	Change
Special Revenue Funds - Federal	0	1,400,000	1,400,000
Special Revenue Funds - Other	353,140,963	366,690,963	13,550,000
Total	353,140,963	368,090,963	14,950,000

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

Program	Available FY 2018	Recommended FY 2019	Change
Administration			
Special Revenue Funds - Other	69,707,000	73,749,000	4,042,000
Banking			
Special Revenue Funds - Other	83,336,000	86,315,000	2,979,000
Insurance			
Special Revenue Funds - Federal	0	1,400,000	1,400,000
Special Revenue Funds - Other	200,097,963	206,626,963	6,529,000
Total	353,140,963	368,090,963	14,950,000

NYS DOB | FY2019 Executive Budget | Agency Appropriations
STATE OPERATIONS - OTHER THAN GENERAL and OFFSET FUNDS
SUMMARY OF APPROPRIATIONS AND CHANGES
FY 2019 RECOMMENDED
(dollars)

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration	73,749,000	4,042,000	19,547,000	624,000
Banking	86,315,000	2,979,000	49,121,000	1,555,000
Insurance	208,026,963	7,929,000	103,834,384	2,386,000
Total	368,090,963	14,950,000	172,502,384	4,565,000

Program	Nonpersonal Service	
	Amount	Change
Administration	54,202,000	3,418,000
Banking	37,194,000	1,424,000
Insurance	104,192,579	5,543,000
Total	195,588,579	10,385,000

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

Fund Type	Available FY 2018	Recommended FY 2019	Change
Special Revenue Funds - Federal	1,400,000	0	(1,400,000)
Special Revenue Funds - Other	59,828,000	65,212,000	5,384,000
Total	61,228,000	65,212,000	3,984,000

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

Program	Available FY 2018	Recommended FY 2019	Change
Administration			
Special Revenue Funds - Other	850,000	850,000	0
Insurance			
Special Revenue Funds - Federal	1,400,000	0	(1,400,000)
Special Revenue Funds - Other	58,978,000	64,362,000	5,384,000
Total	61,228,000	65,212,000	3,984,000

Note: Most recent estimates as of 01/16/2018