

# STATE OF NEW YORK

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7500

2021-2022 Regular Sessions

## IN SENATE

November 3, 2021

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Introduced by Sen. SANDERS -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

AN ACT to amend the financial services law, in relation to requiring assessments to defray operating expenses on persons regulated by the department of financial services that engage in virtual currency business activity

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Subsection (a) of section 206 of the financial services law  
2 is amended to read as follows:

3 (a) For each fiscal year commencing on or after April first, two thou-  
4 sand twelve, assessments to defray operating expenses, including all  
5 direct and indirect costs, of the department, except expenses incurred  
6 in the liquidation of banking organizations, shall be assessed by the  
7 superintendent in accordance with this subsection. Persons regulated  
8 under the insurance law shall be assessed by the superintendent for the  
9 operating expenses of the department that are solely attributable to  
10 regulating persons under the insurance law, which shall include any  
11 expenses that were permissible to be assessed in fiscal year two thou-  
12 sand nine-hundred twenty, with the assessments allocated pro rata upon  
13 all domestic insurers and all licensed United States branches of alien  
14 insurers domiciled in this state within the meaning of paragraph four of  
15 subsection (b) of section seven thousand four hundred eight of the  
16 insurance law, in proportion to the gross direct premiums and other  
17 considerations, written or received by them in this state during the  
18 calendar year ending December thirty-first immediately preceding the end  
19 of the fiscal year for which the assessment is made (less return premi-  
20 ums and considerations thereon) for policies or contracts of insurance  
21 covering property or risks resident or located in this state the issu-  
22 ance of which policies or contracts requires a license from the super-  
23 intendent. Persons regulated under the banking law shall be assessed by

EXPLANATION--Matter in italics (underscored) is new; matter in brackets  
[-] is old law to be omitted.

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1 the superintendent for the operating expenses of the department that are  
2 solely attributable to regulating persons under the banking law in such  
3 proportions as the superintendent shall deem just and reasonable.  
4 Persons regulated under this chapter that engage in "virtual currency  
5 business activity," as that term is defined by the department, shall be  
6 assessed by the superintendent for the operating expenses of the depart-  
7 ment that are solely attributable to regulating such persons in such  
8 proportions as the superintendent shall deem just and reasonable. Oper-  
9 ating expenses of the department not covered by the assessments set  
10 forth above shall be assessed by the superintendent in such proportions  
11 as the superintendent shall deem just and reasonable upon all domestic  
12 insurers and all licensed United States branches of alien insurers domi-  
13 ciled in this state within the meaning of paragraph four of subsection  
14 (b) of section seven thousand four hundred eight of the insurance law,  
15 and upon any regulated person under the banking law, other than mortgage  
16 loan originators, and upon persons regulated under this chapter that  
17 engage in virtual currency business activity, except as otherwise  
18 provided by sections one hundred fifty-one and two hundred twenty-eight  
19 of the workers' compensation law and by section sixty of the volunteer  
20 firefighters' benefit law. The provisions of this subsection shall not  
21 be applicable to a bank holding company, as that term is defined in  
22 article three-A of the banking law. Persons regulated under the banking  
23 law will not be assessed for expenses that the superintendent deems to  
24 benefit solely persons regulated under the insurance law or under this  
25 chapter that engage in virtual currency business activity, and persons  
26 regulated under the insurance law will not be assessed for expenses that  
27 the superintendent deems to benefit solely persons regulated under the  
28 banking law or under this chapter that engage in virtual currency busi-  
29 ness activity. Persons regulated under this chapter that engage in  
30 virtual currency business activity will not be assessed for expenses  
31 that the superintendent deems to benefit solely persons regulated under  
32 the insurance law or under the banking law.

33 § 2. Section 206 of the financial services law is amended by adding a  
34 new subsection (d-1) to read as follows:

35 (d-1) The expenses of every examination of the affairs of any person  
36 regulated pursuant to this chapter that engage in virtual currency busi-  
37 ness activity shall be borne and paid by the regulated person so exam-  
38 ined, but the superintendent, with the approval of the comptroller, may  
39 in the superintendent's discretion for good cause shown remit such  
40 charges.

41 § 3. This act shall take effect on the sixtieth day after it shall  
42 have become a law. Effective immediately, the addition, amendment and/or  
43 repeal of any rule or regulation necessary for the implementation of  
44 this act on its effective date are authorized to be made on or before  
45 such date.