

also adopts and publishes from time to time certain policy, procedure, and instruction manuals. The latest of these manuals, the Accounting Practices and Procedures Manual as of March [2021] 2023¹ (accounting manual), includes a body of accounting guidelines referred to as statements of statutory accounting principles (SSAPs). The accounting manual shall be used in the preparation of quarterly statements and the annual statement for [2021] 2023, which will be filed in [2022] 2024.

Section 83.4(f) and (p) are amended as follows:

(f)(1) Paragraph 6 of SSAP No. 25, "Affiliates and Other Related Parties", is not adopted. Insurance Law section 1501(c) provides that the superintendent may determine upon application that any person does not, or will not upon the taking of some proposed action, control another person. 10 NYCRR 98-1.9(d) authorizes the Commissioner of Health to make a similar determination with respect to organizations with a certificate of authority pursuant to Public Health Law article 44.

(2) Paragraphs [9 and 10] 11 and 12 of SSAP No. 25 are not adopted. Insurance Law section 4310(b) provides that certain article 43 corporations described therein may invest, in the aggregate, not more than three percent of their admitted assets in obligations, shares or other securities issued by a parent corporation which is organized as a not-for-profit entity or a corporation which is an affiliate or will be an affiliate after direct or indirect acquisition by the parent corporation. Insurance Law section 1407(a)(4) prohibits accident and health insurers and property/casualty insurers from investing in obligations, shares or other securities issued by a parent corporation or a corporation which is an affiliate or will be an affiliate after direct or indirect acquisition by the insurer. Further, loans and advances between a domestic controlled insurer and any person in its holding company system are subject to the reporting and approval thresholds prescribed in Insurance Law section 1505. Insurance Law section 1411(f) prohibits loans to officers and directors, except as permitted under Insurance Law section 1411(h)(2).

(p) Paragraph 9 of SSAP No. 73, "Health Care Delivery Assets and Leasehold Improvements in Health Care Facilities", is [not] adopted[,] with the following exception: Durable medical equipment, furniture, medical equipment and fixtures, and leasehold improvements shall be depreciated utilizing a depreciation schedule no less conservative than that set forth in the latest revision of ESTIMATED USEFUL LIVES OF DEPRECIABLE HOSPITAL ASSETS (REVISED 2018 EDITION).² The document may also be viewed at the New York State Department of Financial Services' New York City office at One State Street, New York, NY 10004. Lease improvements in health care facilities shall be amortized against net income over the shorter of their estimated useful life or the remaining life of the original lease excluding renewal or option periods, using methods detailed in SSAP No. 19.

¹ ACCOUNTING PRACTICES AND PROCEDURES MANUAL AS OF MARCH [2021] 2023. © Copyright 1999 – [2021] 2023 by National Association of Insurance Commissioners, Kansas City, Missouri.

² Reproduced, with permission, from Estimated Useful Lives of Depreciable Hospital Assets, Revised 2018 Edition. Copyright 2018 by Health Forum, Inc. All right reserved. Printed with permission of Health Forum, Inc., in Chicago.

Text of proposed rule and any required statements and analyses may be obtained from: Michael Campanelli, New York State Department of Financial Services, One State Street, New York, NY 10004, (212) 480-5290, email: Michael.Campanelli@dfs.ny.gov

Data, views or arguments may be submitted to: Same as above.

Public comment will be received until: 60 days after publication of this notice.

Consensus Rule Making Determination

No person is likely to object to amendment of the rule that adopts the most recent edition of the Accounting Practices and Procedures Manual as of March 2023 ("2023 Accounting Manual"), published by the National Association of Insurance Commissioners ("NAIC"), and replaces the rule's current reference to the NAIC's Accounting Practices and Procedures Manual as of March 2021. The rule also makes non-substantive changes to subdivisions (f) and (p) of section 83.4 by updating the numbering of the paragraphs referenced in SSAP 25 of the 2023 Accounting Manual and clarifying language.

Adoption of the rule is necessary for the Department of Financial Services ("Department") to maintain its accreditation status with the NAIC. NAIC accreditation is a certification given to a state insurance regulator once the regulator has demonstrated that it has met and continues to meet baseline solvency regulation standards and various legal, financial, and organizational standards as determined by a committee of its peers.

The Department determines this rule to be a consensus rule, as defined

in State Administrative Procedure Act ("SAPA") § 102(11), and it is proposed pursuant to SAPA § 202(1)(b)(i). Accordingly, this rulemaking is exempt from the requirement to file a Regulatory Impact Statement, Regulatory Flexibility Analysis for Small Businesses and Local Governments, and a Rural Area Flexibility Analysis.

Job Impact Statement

This rulemaking will not have any impact on jobs and employment opportunities, including self-employment opportunities. The amendment adopts the most recent edition published by the National Association of Insurance Commissioners ("NAIC") of the Accounting Practices and Procedures Manual as of March 2023 ("2023 Accounting Manual"), replacing the rule's current reference to the Accounting Practices and Procedures Manual as of March 2021. The rule also makes non-substantive changes to subdivisions (f) and (p) of section 83.4 by updating the numbering of the paragraphs referenced in SSAP 25 of the 2023 Accounting Manual and clarifying language.

Adoption of the rule is necessary for the Department of Financial Services to maintain its accreditation status with the NAIC. NAIC accreditation is a certification given to a state insurance regulator once the regulator has demonstrated that it has met and continues to meet baseline solvency regulation standards and various legal, financial, and organizational standards as determined by a committee of its peers.

New York State Gaming Commission

ERRATUM

A Notice of Proposed Rule Making, I.D. No. SGC-29-23-00004-P, regarding Attending Veterinarian Examinations in Thoroughbred Racing, published in the July 19, 2023, issue of the *State Register*, contained a formatting error. Rule text in section 4007.5(a), "No horse shall be qualified to start in any race unless entered by a licensed owner and in the charge of a licensed trainer," was inadvertently italicized. Only new material being proposed to be added to NYCRR should be italicized and this sentence already appears in the current section 4007.5 of Title 9 NYCRR.

PROPOSED RULE MAKING NO HEARING(S) SCHEDULED

Sports Wagering Advertising and Marketing

I.D. No. SGC-31-23-00010-P

PURSUANT TO THE PROVISIONS OF THE State Administrative Procedure Act, NOTICE is hereby given of the following proposed rule:

Proposed Action: Amendment of section 5329.1; addition of sections 5329.37 and 5330.45 to Title 9 NYCRR.

Statutory authority: Racing, Pari-Mutuel Wagering and Breeding Law, sections 104(19), (24), 1307(1), (2)(p), 1367(4), (13), 1367-a(4)(a)(iii), (xiv), (xv), (e); L. 2021, ch. 59, part Y, section 7

Subject: Sports wagering advertising and marketing.

Purpose: To regulate advertising, marketing and promotions concerning sports wagering.

Text of proposed rule: Section 5329.1 of 9 NYCRR would be amended, and new sections 5329.37 and 5330.45 would be added to 9 NYCRR, to read as follows:

§ 5329.1. Definitions.

(a) *Affiliate marketing partner means an entity or person who promotes, refers potential customers to, or conducts advertising, marketing or branding on behalf of, or to the benefit of, a casino sports wagering licensee or sports pool vendor pursuant to an agreement with such licensee or vendor. This definition shall not apply to general news media that are not focused on gaming, gambling or wagering matters.*

Current subdivisions in section 5329.1 would be re-lettered as (b) through (q).

§ 5329.37. Advertising, marketing and promotions.

(a) *Advertisements generally.*

(1) *Advertisements and promotions used by a casino sports wagering licensee or sports pool vendor shall comply with Racing, Pari-Mutuel Wa-*