

New York Government 101

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The Basics

- State government: why do we care??
 - Insurance is mostly regulated at the state level
 - Most business mandates, taxes, etc. are at the state level
- Methods of making policy
 - Legislation
 - Regulation
 - Case law
 - Executive Order

New York Government

- The three branches
 - Legislative
 - Senate
 - Assembly
 - Executive
 - Governor, LG
 - A.G
 - Agencies
 - Judicial
 - Supreme Court
 - Appellate Court
 - Court of Appeals



The Legislature

- Basics
 - Senate – 2 year terms, even years
 - 63 members
 - Leader: Andrea Stewart-Cousins (D) Yonkers
 - Current breakdown:
 - 40 Democrat
 - 23 Republican
 - Assembly
 - 150 members
 - Leader: Carl Heastie (D) Bronx
 - Current Breakdown:
 - 106 Democrat
 - 43 Republican
 - 1 Independent



Legislative Session

- Early January to early-mid June
- January – Governor’s State of the State
- January – April 1: State Budget
 - Executive Budget and amendments
 - One-house budgets
 - Negotiation and final adoption
- Late April – June: Policy
 - Focus on legislation
 - Most activity from late May to end of session – “silly season”

The Governor

- Current Governor – Andrew Cuomo (D)
- 4 year terms, next election 2022
- First elected in 2010
- Initially fiscally moderate, increasingly progressive

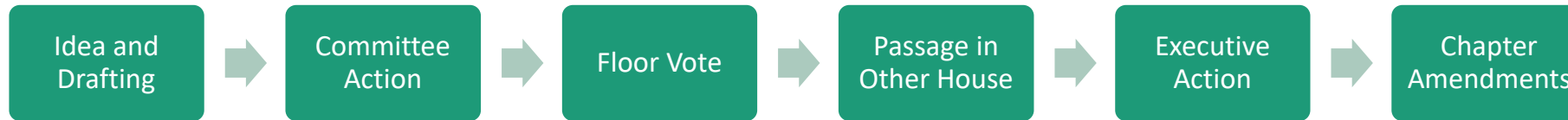


State Agencies - DFS

- Department of Financial Services
 - Linda Lacewell, Superintendent
 - Former counsel, chief of staff to Gov. Cuomo
 - Former federal prosecutor, ED NY
 - Responsibilities:
 - Oversight of insurance and banking
 - Producer licensing
 - Enforcement of banking/insurance regulations



Legislation – How a Bill Becomes Law



Committee Action

- Key committees:
 - Insurance
 - Labor
- All bills must go through at least one committee
 - Multiple if many areas of law affected
- Committee Chairs – The Gatekeepers
 - Significant control over flow of legislation
 - Influence with committee members
- Hearings may be held



Floor Vote

- Floor calendar controlled by legislative leaders
- Bills must “age” 3 days
- Vote by full house
 - Members have opportunity to debate
 - Very rare for a bill to fail on a vote
- Bills transmitted to Governor
 - Timing varies – can be immediate or months

Executive Action

- Once bill is sent to governor's desk, 10 days to take action
- May Sign, Veto, or take no action
 - No action = same as signed when legislature in session
 - No action = “pocket veto” when legislature out of session
 - Veto requires a message – explanation
- Bill takes effect per effective date
- “Chapter Amendments” – negotiated amendments to be made after bill is signed

Regulations

- Regulatory agencies can create regulations/rules with the force of law
- Must be consistent with the intent of the legislature or agency's mission
- In practice, agencies have significant latitude in creating regulations
- Notice must be posted in State Register
- 45 day public comment period
- Hearings
- Modification/amendments based on comments
- Adoption

The Courts

- Laws and regulations may be challenged in court
 - Upheld or overturned, partially or fully
- Courts create case law through rulings
 - EX: Agent/Broker as “order taker”