

3780

2011-2012 Regular Sessions

I N   S E N A T E

March 3, 2011

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

AN ACT to amend the banking law, in relation to the operation of automated teller machines by entities other than banking institutions

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1     Section 1. The banking law is amended by adding a new article 14-A to  
2     read as follows:

3     ARTICLE XIV-A

4             REGISTERED AUTOMATED TELLER MACHINE OPERATORS AND NETWORKS

5     SECTION 800. DEFINITIONS.

6             801. REGISTRATION REQUIRED.

7             802. REGISTRATION OF NETWORKS.

8             803. APPLICATION TO REGISTER AS AN OPERATOR OF AUTOMATED TELLER  
9     MACHINES.

10            804. CHANGES OF CONTROL.

11            805. EXAMINATION OF BOOKS, ACCOUNTS, AND RECORDS; INVESTI-  
12     GATIONS.

13            806. VIOLATIONS AND PENALTIES.

14            807. SUSPENSION OR REVOCATION OF REGISTRATION.

15            808. REQUIRED DISCLOSURES TO CUSTOMERS.

16            809. RULES AND REGULATIONS.

17            810. SEVERABILITY.

18     S 800. DEFINITIONS. AS USED IN THIS ARTICLE, UNLESS THE CONTEXT OTHER-  
19     WISE INDICATES, THE FOLLOWING TERMS HAVE THE FOLLOWING MEANINGS:

20     1. "BANKING INSTITUTION" SHALL MEAN ANY BANK, TRUST COMPANY, SAVINGS  
21     BANK, SAVINGS ASSOCIATION, SAVINGS AND LOAN ASSOCIATION, CREDIT UNION OR  
22     FOREIGN BANKING CORPORATION LICENSED, CHARTERED, OR INCORPORATED OR  
23     OTHERWISE FORMED PURSUANT TO FEDERAL OR ANY STATE LAW.

24     2. "AUTOMATED TELLER MACHINE" SHALL MEAN AN ELECTRONIC DEVICE OPERATED  
25     BY A PERSON WHICH, IN CONJUNCTION WITH A PROCESSOR AND NETWORK, ALLOWS A

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

LBD09851-01-1

1 CUSTOMER TO DEBIT AN ACCOUNT IN EXCHANGE FOR DISPENSING CASH AND THAT  
2 MAY ALLOW A CUSTOMER TO EFFECTUATE OTHER ACCOUNT TRANSACTIONS; PROVIDED  
3 HOWEVER SUCH TERM SHALL NOT BE DEEMED TO INCLUDE ANY AUTOMATED TELLER  
4 MACHINE OR SIMILAR ELECTRONIC DEVICE OPERATED BY A BANKING INSTITUTION  
5 OR A SUBSIDIARY OR SERVICE CORPORATION OF A BANKING INSTITUTION, A  
6 POINT-OF-SALE TERMINAL, OR A COMPUTER TERMINAL OWNED OR OPERATED BY A  
7 CUSTOMER TO ACCESS HIS OR HER DEPOSIT ACCOUNT WITHIN A BANKING INSTITU-  
8 TION.

9 3. "OPERATE" SHALL MEAN TO CONNECT AN AUTOMATED TELLER MACHINE TO ONE  
10 OR MORE NETWORKS.

11 4. "NETWORK" SHALL MEAN AN ELECTRONIC SYSTEM FOR TRANSMITTING ITEMS  
12 AND MESSAGES BETWEEN BANKING INSTITUTIONS, PROCESSORS, AND AUTOMATED  
13 TELLER MACHINES OR SIMILAR ELECTRONIC DEVICES.

14 5. "OPERATOR" SHALL MEAN A PERSON THAT OPERATES AN AUTOMATED TELLER  
15 MACHINE AND WHO, BY VIRTUE OF THE SPONSORSHIP OF A BANKING INSTITUTION,  
16 IS ADMITTED AS A PARTICIPANT INTO ONE OR MORE NETWORKS.

17 6. "PERSON" SHALL MEAN AN INDIVIDUAL, PARTNERSHIP, CORPORATION, LIMIT-  
18 ED LIABILITY COMPANY OR LIMITED LIABILITY PARTNERSHIP, ASSOCIATION OR  
19 ANY OTHER ENTITY, OTHER THAN A BANKING INSTITUTION.

20 7. "PROCESSOR" SHALL MEAN ANY PERSON WHO OR WHICH ELECTRONICALLY  
21 ACQUIRES FINANCIAL DATA EMANATING FROM AN AUTOMATED TELLER MACHINE AND  
22 RELAYS THAT DATA TO A NETWORK.

23 8. "SERVICING AGENT" SHALL MEAN A PERSON WHO CONTRACTS WITH A REGIS-  
24 TERED OPERATOR TO PROVIDE CUSTOMER RELATIONS, FINANCIAL RECORDKEEPING,  
25 OR ANY OTHER SERVICE IN REGARD TO AN AUTOMATED TELLER MACHINE.

26 9. "ELECTRONIC" SHALL HAVE THE SAME MEANING AS SUCH TERM IS DEFINED IN  
27 SECTION THREE HUNDRED TWO OF THE STATE TECHNOLOGY LAW.

28 10. "CUSTOMER" SHALL MEAN AN INDIVIDUAL WHO CONDUCTS, OR ATTEMPTS TO  
29 CONDUCT, THROUGH USE OF AN AUTOMATED TELLER MACHINE, A DEBIT OR OTHER  
30 FINANCIAL TRANSACTION PERTAINING TO HIS OR HER ACCOUNT OR ACCOUNTS AT A  
31 BANKING INSTITUTION OR PERTAINING TO THE USE OF ANY OTHER TYPE OF CARD  
32 WHICH MAY BE USED TO OBTAIN CASH FROM SUCH MACHINE.

33 S 801. REGISTRATION REQUIRED. NO PERSON THAT IS SPONSORED BY A BANKING  
34 INSTITUTION AND UPON SUCH SPONSORSHIP IS ADMITTED INTO A NETWORK AS A  
35 BANKING INSTITUTION-SPONSORED PARTICIPANT SHALL, ON OR AFTER JUNE FIRST,  
36 TWO THOUSAND TWELVE, OPERATE AN AUTOMATED TELLER MACHINE, IF SUCH  
37 MACHINE IS LOCATED WITHIN THIS STATE, WITHOUT FIRST BEING REGISTERED BY  
38 THE SUPERINTENDENT AS AN OPERATOR OF AUTOMATED TELLER MACHINES PURSUANT  
39 TO THIS ARTICLE; PROVIDED HOWEVER THAT THE REGISTRATION PROVISIONS OF  
40 THIS SECTION SHALL NOT APPLY TO A SUBSIDIARY OF A BANKING INSTITUTION.

41 S 802. REGISTRATION OF NETWORKS. ANY NETWORK TRANSMITTING ITEMS OR  
42 MESSAGES BETWEEN BANKING INSTITUTIONS, PROCESSORS AND AUTOMATED TELLER  
43 MACHINES OF REGISTERED OPERATORS SHALL REGISTER WITH THE SUPERINTENDENT.  
44 THE SUPERINTENDENT SHALL PRESCRIBE BY REGULATION THE METHOD OF SUCH  
45 REGISTRATION AND ANY REQUIREMENTS RELATING THERETO. ANY SUCH NETWORKS  
46 SHALL NOT BE SUBJECT TO ANY OTHER PROVISIONS OF THIS CHAPTER, EXCEPT  
47 SECTIONS THIRTY-NINE AND FORTY-FOUR OF THIS CHAPTER AND AS OTHERWISE MAY  
48 BE REQUIRED BY THIS ARTICLE. NO REGISTERED OPERATOR SHALL TRANSMIT  
49 MESSAGES OR ITEMS UPON OR THROUGH NETWORKS THAT ARE NOT REGISTERED BY  
50 THE SUPERINTENDENT AND DO NOT MAINTAIN OPERATIONAL AND PERFORMANCE STAN-  
51 DARDS ACCEPTABLE TO THE SUPERINTENDENT.

52 S 803. APPLICATION TO REGISTER AS AN OPERATOR OF AUTOMATED TELLER  
53 MACHINES. 1. UPON THE FILING OF AN APPLICATION FOR REGISTRATION, IF THE  
54 SUPERINTENDENT SHALL FIND THE FINANCIAL RESPONSIBILITY, EXPERIENCE,  
55 CHARACTER, AND GENERAL FITNESS OF THE APPLICANT, AND OF THE OFFICERS AND  
56 DIRECTORS THEREOF IF THE APPLICANT IS A CORPORATION, ARE SUCH AS TO

1 COMMAND THE CONFIDENCE OF THE COMMUNITY AND TO WARRANT BELIEF THAT THE  
2 BUSINESS WILL BE OPERATED HONESTLY, FAIRLY, AND EFFICIENTLY WITHIN THE  
3 PURPOSE OF THIS ARTICLE, THE SUPERINTENDENT SHALL THEREUPON REGISTER THE  
4 APPLICANT AS AN OPERATOR OF AUTOMATED TELLER MACHINES AND ISSUE A  
5 CERTIFICATE ATTESTING TO SUCH REGISTRATION IN DUPLICATE. THE SUPERINTEN-  
6 DENT SHALL TRANSMIT ONE COPY OF SUCH CERTIFICATE TO THE APPLICANT AND  
7 FILE ANOTHER IN HIS OR HER OFFICE. IF THE SUPERINTENDENT SHALL NOT SO  
8 FIND, THE SUPERINTENDENT SHALL NOT REGISTER SUCH APPLICANT AND SHALL  
9 NOTIFY THE APPLICANT OF SUCH DENIAL IN WRITING. SUCH REGISTRATION SHALL  
10 REMAIN IN FULL FORCE AND EFFECT UNTIL IT IS SURRENDERED BY THE REGIS-  
11 TERED OPERATOR OR REVOKED OR SUSPENDED PURSUANT TO THIS CHAPTER,  
12 PROVIDED THAT SUCH REGISTRATION SHALL BE SUSPENDED UPON NOTICE BY THE  
13 SUPERINTENDENT FOR FAILURE TO PAY ANY ASSESSMENT CHARGED TO SUCH REGIS-  
14 TERED OPERATOR PURSUANT TO SECTION SEVENTEEN OF THIS CHAPTER UPON THE  
15 DATE ANY SUCH PAYMENT IS DUE. UPON SUCH SUSPENSION, NO REGISTERED OPERA-  
16 TOR SHALL OPERATE OR ESTABLISH ANY AUTOMATED TELLER MACHINE.

17 2. THE SUPERINTENDENT MAY REFUSE TO ISSUE A CERTIFICATE PURSUANT TO  
18 THIS ARTICLE IF HE OR SHE SHALL FIND THAT THE APPLICANT, OR ANY PERSON  
19 WHO IS A DIRECTOR, OFFICER, PARTNER, EMPLOYEE OR SUBSTANTIAL STOCKHOLDER  
20 OF OR CONSULTANT TO SUCH APPLICANT (I) HAS BEEN CONVICTED OF A CRIME  
21 INVOLVING AN ACTIVITY WHICH IS A FELONY UNDER THIS CHAPTER OR UNDER  
22 ARTICLE ONE HUNDRED FIFTY-FIVE, ONE HUNDRED SEVENTY, ONE HUNDRED SEVEN-  
23 TY-FIVE, ONE HUNDRED SEVENTY-SIX, ONE HUNDRED EIGHTY, ONE HUNDRED EIGHT-  
24 Y-FIVE, ONE HUNDRED NINETY, TWO HUNDRED TEN OR FOUR HUNDRED SEVENTY OF  
25 THE PENAL LAW OR ANY COMPARABLE FELONY UNDER THE LAWS OF ANY OTHER STATE  
26 OR THE UNITED STATES, PROVIDED THAT SUCH CRIME WOULD BE A FELONY IF  
27 COMMITTED AND PROSECUTED UNDER THE LAWS OF THIS STATE, OR (II) HAS HAD A  
28 REGISTRATION REVOKED BY THE SUPERINTENDENT, OR (III) HAS BEEN A DIREC-  
29 TOR, PARTNER, OR SUBSTANTIAL STOCKHOLDER OF AN ENTITY WHICH HAS HAD A  
30 REGISTRATION REVOKED BY THE SUPERINTENDENT, OR (IV) HAS BEEN AN EMPLOYEE  
31 OR OFFICER OF, OR A CONSULTANT TO, AN ENTITY WHICH HAS HAD A REGISTRA-  
32 TION REVOKED BY THE SUPERINTENDENT WHERE SUCH PERSON SHALL HAVE BEEN  
33 FOUND BY THE SUPERINTENDENT TO BEAR RESPONSIBILITY IN CONNECTION WITH  
34 SUCH REVOCATION. THE TERM "SUBSTANTIAL STOCKHOLDER" AS USED IN THIS  
35 ARTICLE SHALL BE DEEMED TO REFER TO A PERSON WHO POSSESSES, DIRECTLY OR  
36 INDIRECTLY, THE POWER TO DIRECT OR CAUSE THE DIRECTION OF THE MANAGEMENT  
37 AND POLICIES OF A CORPORATION OR ANY OTHER ENTITY, WHETHER THROUGH THE  
38 OWNERSHIP OF VOTING STOCK OF ANY CORPORATION OR THROUGH THE OWNERSHIP OF  
39 VOTING STOCK OF ANY PERSON WHICH POSSESSES SUCH POWER OR OTHERWISE. THE  
40 POWER TO SO DIRECT OR CAUSE THE DIRECTION OF THE MANAGEMENT AND POLICIES  
41 OF A CORPORATION SHALL BE PRESUMED TO EXIST IF ANY PERSON, DIRECTLY OR  
42 INDIRECTLY, OWNS, CONTROLS OR HOLDS WITH POWER TO VOTE TEN PER CENTUM OR  
43 MORE OF THE VOTING STOCK OF ANY CORPORATION.

44 3. APPLICATION FOR A REGISTRATION REQUIRED UNDER THIS ARTICLE SHALL BE  
45 IN WRITING, UNDER OATH, AND IN THE FORM PRESCRIBED BY THE SUPERINTEN-  
46 DENT, AND SHALL CONTAIN THE FOLLOWING INFORMATION:

47 (A) THE EXACT NAME OF THE APPLICANT AND, IF INCORPORATED OR OTHERWISE  
48 FORMED, THE DATE AND THE STATE OF SUCH INCORPORATION OR FORMATION;

49 (B) THE COMPLETE BUSINESS ADDRESS OF THE PRINCIPAL OFFICE FROM WHICH  
50 BUSINESS IS TO BE CONDUCTED, AND WHERE THE BOOKS AND RECORDS OF THE  
51 APPLICANT ARE MAINTAINED AND TO BE MAINTAINED, SHOWING THE STREET,  
52 NUMBER IF ANY, THE ZIP CODE, AND THE MUNICIPALITY OR COUNTY;

53 (C) THE NAME AND RESIDENCE ADDRESS OF THE APPLICANT, IF AN INDIVIDUAL  
54 OR, IF A PARTNERSHIP, OF ITS PARTNERS OR, IF A CORPORATION OR ASSOCI-  
55 ATION, OF THE DIRECTORS, AND PRINCIPAL OFFICERS THEREOF, AND OF ANY  
56 STOCKHOLDER OWNING TEN PER CENTUM OR MORE OF AND CLASS OF ITS STOCK; AND

(D) SUCH OTHER PERTINENT INFORMATION AS THE SUPERINTENDENT MAY REQUIRE.

4. EACH REGISTRATION ISSUED PURSUANT TO THIS ARTICLE SHALL STATE THE PRINCIPAL BUSINESS ADDRESS OF SUCH REGISTERED OPERATOR AND SHALL FULLY STATE THE NAME OF SUCH REGISTERED OPERATOR AND THE DATE AND PLACE OF ITS INCORPORATION OR FORMATION IF APPLICABLE. SUCH REGISTRATION SHALL NOT BE TRANSFERABLE OR ASSIGNABLE. IN THE EVENT THE LOCATION AT WHICH THE PRINCIPAL PLACE OF BUSINESS IS TO BE CONDUCTED SHALL BE CHANGED, THE REGISTERED OPERATOR SHALL FORTHWITH NOTIFY THE SUPERINTENDENT WHO SHALL THEREUPON ATTACH TO THE REGISTRATION SETTING FORTH SUCH CHANGED LOCATION.

5. UPON ANY CHANGE OF THE OFFICERS, PARTNERS OR DIRECTORS OF ANY REGISTERED OPERATOR, SUCH REGISTERED OPERATOR SHALL SUBMIT TO THE SUPERINTENDENT THE NAME, ADDRESS AND OCCUPATION OF EACH NEW OFFICER, PARTNER OR DIRECTOR, AND PROVIDE SUCH OTHER INFORMATION AS THE SUPERINTENDENT MAY REQUIRE.

S 804. CHANGES OF CONTROL. 1. IT SHALL BE UNLAWFUL EXCEPT WITH THE PRIOR APPROVAL OF THE SUPERINTENDENT FOR ANY ACTION TO BE TAKEN WHICH RESULTS IN A CHANGE OF CONTROL OF THE BUSINESS OF A REGISTERED OPERATOR. PRIOR TO ANY CHANGE OF CONTROL, THE PERSON DESIROUS OF ACQUIRING CONTROL OF THE BUSINESS OF A REGISTERED OPERATOR SHALL MAKE WRITTEN APPLICATION TO THE SUPERINTENDENT. THE APPLICATION SHALL CONTAIN SUCH INFORMATION AS THE SUPERINTENDENT MAY PRESCRIBE AS NECESSARY OR APPROPRIATE FOR THE PURPOSE OF MAKING THE DETERMINATION REQUIRED BY SUBDIVISION TWO OF THIS SECTION.

2. THE SUPERINTENDENT SHALL APPROVE OR DISAPPROVE THE PROPOSED CHANGE OF CONTROL OF A REGISTERED OPERATOR IN ACCORDANCE WITH THE PROVISIONS OF SECTION EIGHT HUNDRED THREE OF THIS ARTICLE RELATING TO REGISTRATION OF OPERATORS. IF THE SUPERINTENDENT DISAPPROVES SUCH APPLICATION, OR IF NO SUCH APPLICATION HAS BEEN MADE, UPON CONSUMMATION OF THE ACQUISITION OF CONTROL, THE CERTIFICATE OF THE REGISTERED OPERATOR SHALL BECOME NULL AND VOID AND THE APPLICANT OR SUCH REGISTERED OPERATOR, WHICHEVER HAS POSSESSION OF SUCH CERTIFICATE, SHALL FORTHWITH SURRENDER TO THE SUPERINTENDENT THE REGISTRATION THERETOFORE IN EFFECT.

3. FOR A PERIOD OF SIX MONTHS FROM THE DATE OF APPOINTMENT OR QUALIFICATION THEREOF AND FOR SUCH ADDITIONAL PERIOD OF TIME AS THE SUPERINTENDENT MAY PRESCRIBE, IN WRITING, THE PROVISIONS OF SUBDIVISIONS ONE AND TWO OF THIS SECTION SHALL NOT APPLY TO THE TRANSFER OF CONTROL BY OPERATION OF LAW TO THE LEGAL REPRESENTATIVE, AS HEREINAFTER DEFINED, OF ONE WHO HAS CONTROL OF A REGISTERED OPERATOR. THEREAFTER, SUCH LEGAL REPRESENTATIVE SHALL COMPLY WITH THE PROVISIONS OF SUBDIVISIONS ONE AND TWO OF THIS SECTION. THE PROVISIONS OF SUCH SUBDIVISIONS SHALL BE APPLICABLE TO AN APPLICATION MADE UNDER SUCH SECTION BY A LEGAL REPRESENTATIVE. THE TERM "LEGAL REPRESENTATIVE", FOR PURPOSES OF THIS SECTION, SHALL MEAN ONE DULY APPOINTED BY A COURT OF COMPETENT JURISDICTION TO ACT AS EXECUTOR, ADMINISTRATOR, TRUSTEE, COMMITTEE, CONSERVATOR OR RECEIVER, INCLUDING ONE WHO SUCCEEDS A LEGAL REPRESENTATIVE AND ONE ACTING IN AN ANCILLARY CAPACITY THERETO IN ACCORDANCE WITH THE PROVISIONS OF SUCH COURT APPOINTMENT.

4. AS USED IN THIS SECTION, THE TERM "CONTROL" MEANS THE POSSESSION, DIRECTLY OR INDIRECTLY, OF THE POWER TO DIRECT OR CAUSE THE DIRECTION OF THE MANAGEMENT AND POLICIES OF A REGISTERED OPERATOR, WHETHER THROUGH THE OWNERSHIP OF VOTING STOCK OF SUCH REGISTERED OPERATOR OR THROUGH THE OWNERSHIP OF VOTING STOCK OF ANY PERSON WHICH POSSESSES SUCH POWER OR OTHERWISE. CONTROL SHALL BE PRESUMED TO EXIST IF ANY PERSON, DIRECTLY OR INDIRECTLY, OWNS, CONTROLS OR HOLDS WITH POWER TO VOTE TEN PER CENTUM OR MORE OF THE VOTING STOCK OF ANY REGISTERED OPERATOR, BUT NO PERSON SHALL

1 BE DEEMED TO CONTROL A REGISTERED OPERATOR SOLELY BY REASON OF BEING AN  
2 OFFICER OR DIRECTOR OF SUCH REGISTERED OPERATOR OR PERSON. THE SUPER-  
3 INTENDENT MAY IN HIS OR HER DISCRETION, UPON APPLICATION OF A REGISTERED  
4 OPERATOR OR ANY PERSON WHO, DIRECTLY OR INDIRECTLY, OWNS, CONTROLS OR  
5 HOLDS WITH POWER TO VOTE OR SEEKS TO OWN, CONTROL OR HOLD WITH POWER TO  
6 VOTE ANY VOTING STOCK OF SUCH REGISTERED OPERATOR, DETERMINE WHETHER OR  
7 NOT THE OWNERSHIP, CONTROL OR HOLDING OF SUCH VOTING STOCK CONSTITUTES  
8 OR WOULD CONSTITUTE CONTROL OF SUCH REGISTERED OPERATOR FOR PURPOSES OF  
9 THIS SECTION.

10 S 805. EXAMINATION OF BOOKS, ACCOUNTS, AND RECORDS; INVESTIGATIONS. 1.

11 (A) FOR THE PURPOSE OF DISCOVERING VIOLATIONS OF THIS ARTICLE OR SECUR-  
12 ING INFORMATION LAWFULLY REQUIRED HEREUNDER, THE SUPERINTENDENT MAY AT  
13 ANY TIME, AS OFTEN AS MAY BE DETERMINED, EITHER PERSONALLY OR BY A  
14 PERSON DULY DESIGNATED BY THE SUPERINTENDENT, INVESTIGATE THE BUSINESS  
15 AND EXAMINE THE BOOKS, ACCOUNTS, RECORDS, AND FILES USED THEREIN OF  
16 EVERY REGISTERED OPERATOR AND ANY SERVICING AGENT OR PROCESSOR WITH  
17 RESPECT TO ANY CONTRACTS OR AGREEMENTS THAT SUCH AGENT OR PROCESSOR MAY  
18 HAVE WITH ANY SUCH REGISTERED OPERATOR. FOR THAT PURPOSE, THE SUPER-  
19 INTENDENT AND DULY DESIGNATED REPRESENTATIVES SHALL HAVE FREE ACCESS TO  
20 THE OFFICES AND PLACE OF BUSINESS, BOOKS, ACCOUNTS, PAPERS, RECORDS,  
21 FILES, SAFES AND VAULTS, AND LOCATIONS OF ALL AUTOMATED TELLER MACHINES  
22 OF SUCH REGISTERED OPERATOR, SERVICING AGENT OR PROCESSOR.

23 (B) WHENEVER A REGISTERED OPERATOR, OR ANY SUBSIDIARY OR AFFILIATE OF  
24 SUCH REGISTERED OPERATOR, CAUSES TO BE PERFORMED FOR SUCH REGISTERED  
25 OPERATOR, BY CONTRACT OR OTHERWISE, ANY SERVICES RELATED TO, DIRECTLY OR  
26 INDIRECTLY, THE AUTOMATED TELLER MACHINES WHICH SUCH REGISTERED OPERATOR  
27 OPERATES, SUCH PERFORMANCE SHALL BE SUBJECT TO REGULATION AND EXAMINA-  
28 TION BY THE SUPERINTENDENT TO THE SAME EXTENT AS IF SUCH SERVICES WERE  
29 BEING PERFORMED BY THE REGISTERED OPERATOR ITSELF AND SUCH REGISTERED  
30 OPERATOR SHALL NOTIFY THE SUPERINTENDENT OF THE EXISTENCE OF THE SERVICE  
31 RELATIONSHIP WITHIN THIRTY DAYS AFTER THE MAKING OF SUCH SERVICE  
32 CONTRACT OR THE PERFORMANCE OF THE SERVICE, WHICHEVER OCCURS FIRST.

33 (C) FOR PURPOSES OF EVALUATING THE OPERATIONS AND PERFORMANCE OF ANY  
34 REGISTERED NETWORK, THE SUPERINTENDENT SHALL INVESTIGATE THE BUSINESS  
35 AND EXAMINE THE BOOKS, ACCOUNTS, RECORDS, AND FILES USED THEREIN OF  
36 EVERY REGISTERED NETWORK. THE EXPENSES INCURRED IN MAKING ANY INVESTI-  
37 GATIONS AND EXAMINATIONS OF, OR FOR SPECIAL SERVICES PERFORMED ON  
38 ACCOUNT OF, ANY REGISTERED NETWORK SHALL BE ASSESSED AGAINST AND PAID BY  
39 THE REGISTERED NETWORK FOR WHICH THEY WERE INCURRED OR PERFORMED.

40 2. ALL REPORTS OF INVESTIGATIONS AND OTHER REPORTS RENDERED PURSUANT  
41 TO THIS SECTION, AND ALL CORRESPONDENCE AND MEMORANDA CONCERNING OR  
42 ARISING OUT OF SUCH INVESTIGATIONS OR REPORTS, INCLUDING ANY DULY  
43 AUTHENTICATED COPY OR COPIES THEREOF IN POSSESSION OF ANY REGISTERED  
44 OPERATOR, SERVICING AGENT, PROCESSOR OR REGISTERED NETWORK SHALL BE  
45 CONFIDENTIAL COMMUNICATIONS AND SUBJECT TO THE PROVISIONS OF SUBDIVISION  
46 TEN OF SECTION THIRTY-SIX OF THIS CHAPTER.

47 3. ANY REGISTERED OPERATOR OR REGISTERED NETWORK THAT FAILS TO MAKE  
48 ANY REPORT REQUIRED BY THE SUPERINTENDENT PURSUANT TO THIS ARTICLE, ON  
49 OR BEFORE THE DAY DESIGNATED FOR THE MAKING THEREOF, FAILS TO INCLUDE  
50 THEREIN ANY PRESCRIBED MATERIAL, OR INCLUDES ANY FALSE OR MISLEADING  
51 INFORMATION THEREIN, SHALL BE SUBJECT TO SUCH ENFORCEMENT AND PENALTIES  
52 AS MAY BE PRESCRIBED BY THIS CHAPTER.

53 S 806. VIOLATIONS AND PENALTIES. 1. A REGISTERED OPERATOR THAT  
54 VIOLATES ANY PROVISION OF THIS ARTICLE OR OTHER APPLICABLE PROVISIONS OF  
55 THIS CHAPTER, OR ANY RULE OR REGULATION PRESCRIBED BY THE SUPERINTENDENT  
56 PURSUANT TO THIS ARTICLE OR OF ANY OTHER LAW, RULE OR REGULATION OF THIS

1 STATE OR THE FEDERAL GOVERNMENT OR THAT THROUGH ANY UNFAIR, UNCONSCIONA-  
2 BLE, OR DECEPTIVE PRACTICE CAUSES ACTUAL DAMAGE TO A CUSTOMER, SHALL BE  
3 SUBJECT TO SECTIONS THIRTY-NINE AND FORTY-FOUR OF THIS CHAPTER, AND  
4 SUSPENSION OR REVOCATION OF THE OPERATOR'S REGISTRATION PURSUANT TO  
5 SECTION EIGHT HUNDRED SEVEN OF THIS ARTICLE.

6 2. A PERSON THAT OPERATES AN AUTOMATED TELLER MACHINE PURSUANT TO THIS  
7 ARTICLE WITHOUT BEING REGISTERED BY THE SUPERINTENDENT SHALL BE GUILTY  
8 OF A CLASS A MISDEMEANOR.

9 3. A PERSON THAT OPERATES A MACHINE THAT WOULD OTHERWISE BE CONSIDERED  
10 AN AUTOMATED TELLER MACHINE PURSUANT TO THIS ARTICLE, EXCEPT THAT SUCH  
11 MACHINE IS NOT OPERATED IN CONJUNCTION WITH A NETWORK, SHALL BE GUILTY  
12 OF A CLASS C FELONY.

13 4. NOTHING IN THIS ARTICLE SHALL LIMIT ANY STATUTORY OR COMMON-LAW  
14 RIGHT OF ANY PERSON, REGISTERED OPERATOR OR REGISTERED NETWORK TO BRING  
15 ANY ACTION IN ANY COURT FOR ANY ACT, OR THE RIGHT OF THE STATE TO PUNISH  
16 ANY PERSON, OPERATOR OR NETWORK FOR VIOLATION OF ANY LAW.

17 5. IF ANY UNREGISTERED PERSON OPERATES AN AUTOMATED TELLER MACHINE, OR  
18 A MACHINE THAT WOULD OTHERWISE BE CONSIDERED AN AUTOMATED TELLER MACHINE  
19 PURSUANT TO THIS ARTICLE, EXCEPT THAT SUCH MACHINE IS NOT OPERATED IN  
20 CONJUNCTION WITH A NETWORK, HE OR SHE SHALL BE LIABLE TO ANY PERSON FOR  
21 A SUM OF MONEY NOT LESS THAN AN AMOUNT EQUAL TO ANY MONETARY LOSS AND  
22 ANY OTHER DAMAGES AND EXPENSES INCURRED BY SUCH PERSON AS A RESULT OF  
23 THE THEFT OF SUCH PERSON'S PERSONAL IDENTIFICATION AND ACCOUNT INFORMA-  
24 TION THAT RESULTS FROM THE USE, OR ATTEMPTED USE, OF SUCH AUTOMATED  
25 TELLER MACHINE, NOR MORE THAN FOUR TIMES SUCH SUM. SUCH SUM MAY BE SUED  
26 FOR AND RECOVERED BY ANY PERSON FOR HIS OR HER BENEFIT USE AND BENEFIT  
27 IN ANY COURT OF COMPETENT JURISDICTION.

28 S 807. SUSPENSION OR REVOCATION OF REGISTRATION. 1. AFTER NOTICE AND  
29 HEARING, THE SUPERINTENDENT MAY FINE SUCH REGISTERED OPERATOR AND  
30 SUSPEND OR REVOKE AN OPERATOR'S REGISTRATION IF HE OR SHE FINDS THAT:

31 (A) THROUGH A COURSE OF CONDUCT, THE REGISTERED OPERATOR HAS VIOLATED  
32 ANY PROVISIONS OF THIS ARTICLE OR ANY OTHER APPLICABLE PROVISIONS OF  
33 THIS CHAPTER, OR ANY RULE OR REGULATION PRESCRIBED BY THE SUPERINTENDENT  
34 PURSUANT TO THIS ARTICLE OR OF ANY OTHER LAW, RULE OR REGULATION OF THIS  
35 STATE OR THE FEDERAL GOVERNMENT;

36 (B) ANY FACT OR CONDITION EXISTS, WHICH IF IT HAD EXISTED AT THE TIME  
37 OF THE ORIGINAL APPLICATION FOR SUCH REGISTRATION, WOULD HAVE WARRANTED  
38 THE SUPERINTENDENT IN REFUSING ORIGINALLY TO ISSUE SUCH REGISTRATION; OR

39 (C) THE COMMISSION BY A REGISTERED OPERATOR OF A CRIME AGAINST THE  
40 LAWS OF THIS STATE OR ANY OTHER STATE OR OF THE UNITED STATES INVOLVING  
41 MORAL TURPITUDE OR FRAUDULENT OR DISHONEST DEALING, OR THE ENTRY OF A  
42 FINAL JUDGMENT AGAINST A REGISTERED OPERATOR IN A CIVIL ACTION UPON  
43 GROUNDS OF FRAUD, MISREPRESENTATION OR DECEIT.

44 2. PENDING AN INVESTIGATION OR A HEARING FOR THE SUSPENSION OR REVO-  
45 CATION OF A REGISTRATION ISSUED TO AN OPERATOR PURSUANT TO THIS ARTICLE,  
46 THE SUPERINTENDENT MAY TEMPORARILY SUSPEND SUCH REGISTRATION FOR A PERI-  
47 OD NOT TO EXCEED NINETY DAYS, PROVIDED THE SUPERINTENDENT SHALL FIND  
48 THAT SUCH A TEMPORARY SUSPENSION IS IN THE PUBLIC INTEREST.

49 3. ANY REGISTERED OPERATOR MAY SURRENDER ITS REGISTRATION CERTIFICATE  
50 BY DELIVERING TO THE SUPERINTENDENT WRITTEN NOTICE THAT IT HEREBY  
51 SURRENDERS SUCH CERTIFICATE, BUT SUCH SURRENDER SHALL NOT AFFECT SUCH  
52 REGISTERED OPERATOR'S CIVIL OR CRIMINAL LIABILITY FOR ACTS COMMITTED  
53 PRIOR TO SUCH SURRENDER. IF SUCH SURRENDER IS MADE AFTER THE ISSUANCE BY  
54 THE SUPERINTENDENT OF A STATEMENT OF CHARGES AND NOTICE OF HEARING, THE  
55 SUPERINTENDENT MAY PROCEED AGAINST THE REGISTERED OPERATOR AS IF SUCH  
56 SURRENDER HAD NOT TAKEN PLACE.

1 4. EVERY REGISTRATION ISSUED PURSUANT TO THIS ARTICLE SHALL REMAIN IN  
2 FORCE AND EFFECT UNTIL THE SAME SHALL HAVE BEEN SURRENDERED, REVOKED OR  
3 SUSPENDED IN ACCORDANCE WITH ANY OTHER PROVISIONS OF THIS ARTICLE, BUT  
4 THE SUPERINTENDENT SHALL HAVE AUTHORITY TO REINSTATE A SUSPENDED REGIS-  
5 TRATION CERTIFICATE OR TO ISSUE A NEW CERTIFICATE TO A REGISTERED OPERA-  
6 TOR WHOSE REGISTRATION SHALL HAVE BEEN REVOKED IF NO FACT OR CONDITION  
7 THEN EXISTS WHICH WOULD HAVE WARRANTED THE SUPERINTENDENT IN REFUSING  
8 ORIGINALLY TO ISSUE SUCH REGISTRATION UNDER THIS ARTICLE.

9 5. WHENEVER THE SUPERINTENDENT SHALL REVOKE OR SUSPEND A REGISTRATION  
10 ISSUED PURSUANT TO THIS ARTICLE, HE OR SHE SHALL FORTHWITH EXECUTE IN  
11 DUPLICATE A WRITTEN ORDER TO THAT EFFECT. THE SUPERINTENDENT SHALL FILE  
12 ONE COPY OF SUCH ORDER IN HIS OR HER OFFICE AND SHALL FORTHWITH SERVE  
13 THE OTHER COPY UPON THE REGISTERED OPERATOR. ANY SUCH ORDER MAY BE  
14 REVIEWED IN THE MANNER PROVIDED BY ARTICLE SEVENTY-EIGHT OF THE CIVIL  
15 PRACTICE LAW AND RULES. SUCH APPLICATION FOR REVIEW AS AUTHORIZED PURSU-  
16 ANT TO THIS SECTION MUST BE MADE WITHIN THIRTY DAYS FROM THE DATE OF  
17 SUCH ORDER OF SUSPENSION OR REVOCATION.

18 S 808. REQUIRED DISCLOSURES TO CUSTOMERS. 1. DISCLOSURE OF PERTINENT  
19 INFORMATION. A REGISTERED OPERATOR SHALL CLEARLY AND CONSPICUOUSLY  
20 DISCLOSE ON A SIGN POSTED ON THE AUTOMATED TELLER MACHINE OR IN CLEAR  
21 VIEW OF A CUSTOMER VIEWING SUCH MACHINE:

22 (A) THE NAME OF THE REGISTERED OPERATOR;

23 (B) A DISCLAIMER INDICATING THAT THE REGISTERED OPERATOR IS NOT A  
24 BANKING INSTITUTION;

25 (C) THE NAME, ADDRESS, AND TWENTY-FOUR-HOUR TOLL-FREE TELEPHONE NUMBER  
26 WHERE A CUSTOMER MAY DIRECT INQUIRIES OR COMPLAINTS;

27 (D) A STATEMENT THAT THE OPERATOR IS REGISTERED BY THE BANKING DEPART-  
28 MENT, AND THE ADDRESS AND A TOLL-FREE TELEPHONE NUMBER OF THE DEPARTMENT  
29 WHERE INQUIRIES OR COMPLAINTS MAY BE DIRECTED.

30 2. FEE DISCLOSURE. A REGISTERED OPERATOR SHALL NOT CHARGE A FEE FOR  
31 USE OF AN AUTOMATED TELLER MACHINE UNLESS SUCH OPERATOR COMPLIES WITH  
32 THE FEE DISCLOSURE REQUIREMENTS OF SECTION THREE HUNDRED NINETY-NINE-Y  
33 OF THE GENERAL BUSINESS LAW, AS ADDED BY CHAPTER FOUR HUNDRED  
34 NINETY-FIVE OF THE LAWS OF NINETEEN HUNDRED NINETY-NINE.

35 3. RECEIPT FOR TRANSACTION. AN AUTOMATED TELLER MACHINE SHALL PROVIDE  
36 A RECEIPT FOR THE TRANSACTION THAT SHALL INCLUDE THE FOLLOWING INFORMA-  
37 TION IN A CLEAR AND CONSPICUOUS MANNER:

38 (A) THE AMOUNT OF THE TRANSACTION;

39 (B) THE AMOUNT OF ANY FEE IMPOSED BY THE REGISTERED OPERATOR;

40 (C) THE TOTAL AMOUNT DEBITED TO THE CUSTOMER'S ACCOUNT, INCLUDING ANY  
41 FEE IMPOSED BY THE REGISTERED OPERATOR;

42 (D) THE DATE AND TIME OF THE TRANSACTION;

43 (E) A NUMBER OR CODE THAT IDENTIFIES THE CUSTOMER AND THE ACCOUNT  
44 ACCESSED IN A MANNER THAT ENSURES THE CUSTOMER'S PRIVACY; AND

45 (F) THE LOCATION, OR A NUMBER OR CODE THAT IDENTIFIES THE LOCATION,  
46 OF THE AUTOMATED TELLER MACHINE.

47 S 809. RULES AND REGULATIONS. IN ADDITION TO SUCH POWERS AS MAY OTHER-  
48 WISE BE PRESCRIBED BY THIS CHAPTER, THE SUPERINTENDENT IS HEREBY AUTHOR-  
49 IZED AND EMPOWERED TO PROMULGATE REGULATIONS CONSISTENT WITH THE  
50 PURPOSES OF THIS ARTICLE, INCLUDING, BUT NOT LIMITED TO:

51 1. SUCH RULES AND REGULATIONS, IN CONNECTION WITH THE OPERATION OF  
52 AUTOMATED TELLER MACHINES, AS MAY BE NECESSARY OR APPROPRIATE TO QUALIFY  
53 THE TERMS AND CONDITIONS OF AGREEMENTS WITH OR CONTRACTS BETWEEN REGIS-  
54 TERED OPERATORS AND SERVICE AGENTS OR PROCESSORS IN ORDER TO ENSURE THE  
55 PROTECTION OF CUSTOMERS USING AUTOMATED TELLER MACHINES IN THIS STATE;

1 2. SUCH RULES AND REGULATIONS AS MAY BE NECESSARY OR APPROPRIATE TO  
2 DEFINE IMPROPER OR FRAUDULENT PRACTICES AND OPERATIONAL AND PERFORMANCE  
3 STANDARDS APPLICABLE TO THE ACTIVITIES OF REGISTERED OPERATORS AND  
4 REGISTERED NETWORKS FOR THE PURPOSE OF PREVENTING, AMONG OTHER CRIMINAL  
5 ACTS, THE OCCURRENCE OF MONEY LAUNDERING AND CUSTOMER IDENTITY AND  
6 ACCOUNT INFORMATION THEFT;

7 3. SUCH RULES AND REGULATIONS AS MAY BE NECESSARY OR APPROPRIATE TO  
8 REQUIRE REGISTERED OPERATORS AND REGISTERED NETWORKS TO MAKE REPORTS OF  
9 INFORMATION IN SUCH FORM AND UPON SUCH DATES AS PRESCRIBED BY THE SUPER-  
10 INTENDENT; AND

11 4. SUCH RULES AND REGULATIONS AS MAY BE NECESSARY OR APPROPRIATE TO  
12 INTERPRET, IMPLEMENT OR ENFORCE THE PROVISIONS OF THIS ARTICLE.

13 S 810. SEVERABILITY. IF ANY WORD, PHRASE, CLAUSE, SENTENCE, PARAGRAPH,  
14 SECTION OR PART OF THIS ARTICLE SHALL BE ADJUDGED BY ANY COURT OF COMPE-  
15 TENT JURISDICTION TO BE INVALID, SUCH JUDGMENT SHALL NOT AFFECT, IMPAIR  
16 OR INVALIDATE THE REMAINDER THEREOF, BUT SHALL BE CONFINED IN ITS OPERA-  
17 TION TO THE WORD, PHRASE, CLAUSE, SENTENCE, PARAGRAPH, SECTION OR PART  
18 THEREOF DIRECTLY INVOLVED IN THE CONTROVERSY IN WHICH JUDGMENT SHALL  
19 HAVE BEEN RENDERED.

20 S 2. Section 22 of the banking law, as amended by chapter 553 of the  
21 laws of 2007, is amended to read as follows:

22 S 22. Fingerprints. (a) Notwithstanding any other provision of law,  
23 every applicant for a license, authorization or registration under arti-  
24 cles nine, nine-A, eleven-B, twelve-B, twelve-C, twelve-D, twelve-E  
25 [and], thirteen-B AND FOURTEEN-A of this chapter and every applicant  
26 filing an application to acquire control of any licensee or registrant,  
27 as the case may be, under such articles shall submit simultaneously with  
28 an application, his or her fingerprints in such form and in such manner  
29 as specified by the division of criminal justice services, but in any  
30 event, no less than two digit imprints. The superintendent shall submit  
31 such fingerprints to the division of criminal justice services for the  
32 purpose of conducting a criminal history search and returning a report  
33 thereon in accordance with the procedures and requirements established  
34 by the division pursuant to the provisions of article thirty-five of the  
35 executive law, which shall include the payment of the prescribed proc-  
36 essing fees. The superintendent shall request that the division submit  
37 such fingerprints to the federal bureau of investigation, together with  
38 the processing fees prescribed by such bureau, for the purpose of  
39 conducting a criminal history search and returning a report thereon. An  
40 applicant OR REGISTRANT shall not be required to submit his or her fing-  
41 erprints as required by this subdivision if such applicant OR REGISTRANT  
42 (i) is already subject to regulation by the department and the applicant  
43 OR REGISTRANT has submitted such fingerprints to the department, such  
44 fingerprints have been submitted to the division of criminal justice  
45 services for the purpose of conducting a criminal history search, and a  
46 report of such search has been received by the department from such  
47 division; or (ii) is subject to regulation by a federal bank regulatory  
48 agency and has submitted such fingerprints to such agency which has had  
49 a criminal history search conducted of such individual and has shared  
50 such information or its determination resulting from such search with  
51 the department; or (iii) is an officer or stockholder of a corporation  
52 whose common or preferred stock is registered on a national securities  
53 exchange, as provided in an act of congress of the United States enti-  
54 tled the "Securities Exchange Act of 1934", approved June sixth, nine-  
55 teen hundred thirty-four, as amended, or such other exchange or market  
56 system as the superintendent shall approve by regulation, and has



submitted such fingerprints to such exchange or market system which has had a criminal history search conducted of such individual and has shared such information or its determination resulting from such search with the department; provided, however, that the superintendent may subsequently require such applicant OR REGISTRANT to submit his or her fingerprints if the superintendent has a reasonable basis for updating the information or determination resulting from the report of the criminal history search conducted at the request of such federal banking agency, exchange or market system.

(b) The superintendent shall also, concurrent with an investigation of a licensee or registrant, or an authorized individual, pertaining to a violation of this chapter, submit such fingerprints to the division of criminal justice services for the purpose of conducting a criminal history search and returning a report thereon and through the division to the federal bureau of investigation for the purpose of a fingerprint check of such licensee, registrant or authorized individual.

(c) For purposes of this section, "applicant" OR "REGISTRANT" shall include a natural person or such principal, officer, director, trustee or stockholder of any other entity as may be designated by the superintendent. Notwithstanding any other provision of this article, the superintendent shall not access criminal history data or information, unless any agency from which the superintendent receives directly criminal history data or information has entered into a use and dissemination agreement with the superintendent consistent with the provisions of this section.

S 3. Subdivisions 1, 2 and 5 of section 39 of the banking law, as amended by chapter 123 of the laws of 2009, are amended to read as follows:

1. To appear and explain an apparent violation. Whenever it shall appear to the superintendent that any banking organization, bank holding company, registered mortgage broker, licensed mortgage banker, registered mortgage loan servicer, licensed mortgage loan originator, licensed lender, licensed casher of checks, REGISTERED OPERATOR OF AUTOMATED TELLER MACHINES, REGISTERED NETWORK, licensed sales finance company, licensed insurance premium finance agency, licensed transmitter of money, licensed budget planner, out-of-state state bank that maintains a branch or branches or representative or other offices in this state, or foreign banking corporation licensed by the superintendent to do business or maintain a representative office in this state has violated any law or regulation, he or she may, in his or her discretion, issue an order describing such apparent violation and requiring such banking organization, bank holding company, registered mortgage broker, licensed mortgage banker, licensed mortgage loan originator, licensed lender, licensed casher of checks, REGISTERED OPERATOR OF AUTOMATED TELLER MACHINES, REGISTERED NETWORK, licensed sales finance company, licensed insurance premium finance agency, licensed transmitter of money, licensed budget planner, out-of-state state bank that maintains a branch or branches or representative or other offices in this state, or foreign banking corporation to appear before him or her, at a time and place fixed in said order, to present an explanation of such apparent violation.

2. To discontinue unauthorized or unsafe and unsound practices. Whenever it shall appear to the superintendent that any banking organization, bank holding company, registered mortgage broker, licensed mortgage banker, registered mortgage loan servicer, licensed mortgage loan originator, licensed lender, licensed casher of checks, REGISTERED OPER-

1 ATOR OF AUTOMATED TELLER MACHINES, REGISTERED NETWORK, licensed sales  
2 finance company, licensed insurance premium finance agency, licensed  
3 transmitter of money, licensed budget planner, out-of-state state bank  
4 that maintains a branch or branches or representative or other offices  
5 in this state, or foreign banking corporation licensed by the super-  
6 intendent to do business in this state is conducting business in an  
7 unauthorized or unsafe and unsound manner, he or she may, in his or her  
8 discretion, issue an order directing the discontinuance of such unau-  
9 thorized or unsafe and unsound practices, and fixing a time and place at  
10 which such banking organization, bank holding company, registered mort-  
11 gage broker, licensed mortgage banker, registered mortgage loan servi-  
12 cer, licensed mortgage loan originator, licensed lender, licensed casher  
13 of checks, REGISTERED OPERATOR OF AUTOMATED TELLER MACHINES, REGISTERED  
14 NETWORK, licensed sales finance company, licensed insurance premium  
15 finance agency, licensed transmitter of money, licensed budget planner,  
16 out-of-state state bank that maintains a branch or branches or represen-  
17 tative or other offices in this state, or foreign banking corporation  
18 may voluntarily appear before him or her to present any explanation in  
19 defense of the practices directed in said order to be discontinued.

20 5. To keep books and accounts as prescribed. Whenever it shall appear  
21 to the superintendent that any banking organization, bank holding compa-  
22 ny, registered mortgage broker, licensed mortgage banker, registered  
23 mortgage loan servicer, licensed mortgage loan originator, licensed  
24 lender, licensed casher of checks, REGISTERED OPERATOR OF AUTOMATED  
25 TELLER MACHINES, REGISTERED NETWORK, licensed sales finance company,  
26 licensed insurance premium finance agency, licensed transmitter of  
27 money, licensed budget planner, agency or branch of a foreign banking  
28 corporation licensed by the superintendent to do business in this state,  
29 does not keep its books and accounts in such manner as to enable him or  
30 her to readily ascertain its true condition, he or she may, in his or  
31 her discretion, issue an order requiring such banking organization, bank  
32 holding company, registered mortgage broker, licensed mortgage banker,  
33 registered mortgage loan servicer, licensed mortgage loan originator,  
34 licensed lender, licensed casher of checks, REGISTERED OPERATOR OF AUTO-  
35 MATED TELLER MACHINES, REGISTERED NETWORK, licensed sales finance compa-  
36 ny, licensed insurance premium finance agency, licensed transmitter of  
37 money, licensed budget planner, or foreign banking corporation, or the  
38 officers or agents thereof, or any of them, to open and keep such books  
39 or accounts as he or she may, in his or her discretion, determine and  
40 prescribe for the purpose of keeping accurate and convenient records of  
41 its transactions and accounts.

42 S 4. Paragraph (a) of subdivision 1 of section 44 of the banking law,  
43 as amended by chapter 123 of the laws of 2009, is amended to read as  
44 follows:

45 (a) Without limiting any power granted to the superintendent under any  
46 other provision of this chapter, the superintendent may, in a proceeding  
47 after notice and a hearing, require any safe deposit company, licensed  
48 lender, licensed casher of checks, licensed sales finance company,  
49 licensed insurance premium finance agency, licensed transmitter of  
50 money, licensed mortgage banker, registered mortgage broker, REGISTERED  
51 OPERATOR OF AUTOMATED TELLER MACHINES, REGISTERED NETWORK, licensed  
52 mortgage loan originator, registered mortgage loan servicer or licensed  
53 budget planner to pay to the people of this state a penalty for any  
54 violation of this chapter, any regulation promulgated thereunder, any  
55 final or temporary order issued pursuant to section thirty-nine of this  
56 article, any condition imposed in writing by the superintendent or bank-

1 ing board in connection with the grant of any application or request, or  
2 any written agreement entered into with the superintendent.  
3 S 5. This act shall take effect on the one hundred eightieth day after  
4 it shall have become a law; provided that the superintendent of banks is  
5 authorized to promulgate any and all rules and regulations and take any  
6 other measures necessary to implement this act on its effective date on  
7 or before such date, including providing for the registration of current  
8 operators of automated teller machines and networks as defined pursuant  
9 to this act on or before June 1, 2012.