S T A T E O F N E W Y O R K

4363

2013-2014 Regular Sessions

I N S E N A T E

March 22, 2013

Introduced by Sens. GRIFFO, FARLEY -- read twice and ordered printed, and when printed to be committed to the Committee on Consumer Protection

AN ACT to amend the general business law, in relation to automated teller machine fee disclosure

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

Section 1. Section 399-y of the general business law, as added by chapter 495 of the laws of 1999, is amended to read as follows:

S 399-y. Automated teller machine fee disclosure. 1. For the purposes of this section, "automated teller machine operator" shall mean any person who: (a) operates an automated teller machine at which consumers may make financial transactions, including but not limited to deposits, withdrawals, balance inquiries, and loan payments; and (b) is not the financial institution which holds the account accessed by the consumer to make the financial transaction.

2. No automated teller machine operator shall impose a fee on a consumer using such machine, unless such operator: (a) provides notice as required by subdivision three of this section; and (b) the consumer elects to continue to effect a financial transaction after receiving such notice.

3. [(a) The automated teller machine operator shall post a sign or warning in a prominent and conspicuous location on or at the automated teller machine at which the financial transaction is initiated by the consumer. Such sign shall clearly state: (i) that a fee is imposed for the use of such machine; and (ii) the amount of such fee.

(b)] The automated teller machine operator shall [also] provide notice on the screen of the automated teller machine or on a paper issued from such machine after the financial transaction is initiated, but before the consumer is irrevocably committed to completing the transaction. Such notice shall clearly state: (i) that a fee is imposed for the use

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

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of such machine; (ii) the amount of such fee; and (iii) that the consumer may cancel such transaction without being assessed a fee.

4. (a) Any automated teller machine operator who fails to comply with the requirements of this section shall be assessed a civil penalty not to exceed two hundred fifty dollars per transaction.

(b) If the notice required pursuant to subdivision three of this section has been [posted] PROVIDED by an automated teller machine operator and such notice is subsequently removed, damaged, or altered by any person other than such operator, the operator shall have no liability for a failure to comply with subdivision three of this section.

S 2. This act shall take effect immediately.