

4366--A

2013-2014 Regular Sessions

I N   S E N A T E

March 22, 2013

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Introduced by Sen. GRIFFO -- (at request of the Department of Financial Services) -- read twice and ordered printed, and when printed to be committed to the Committee on Banks -- reported favorably from said committee and committed to the Committee on Finance -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the banking law and the general business law, in relation to enhancing regulatory efficiency and efficacy; to repeal certain provisions of the banking law relating thereto

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

1     Section 1. Section 24 of the banking law, as amended by chapter 684 of  
2     the laws of 1938, subdivision 1 as amended by chapter 453 of the laws of  
3     1960, subdivision 2 as amended by chapter 419 of the laws of 1996,  
4     subdivision 3 as amended by chapter 52 of the laws of 1944, subdivisions  
5     1, 2 and 3 as further amended by section 104 of part A of chapter 62 of  
6     the laws of 2011 and subdivision 4 as amended by chapter 608 of the laws  
7     of 1996, is amended to read as follows:  
8     S 24. Investigation by superintendent; refusal or approval; filing  
9     certificate. 1. Within ninety days after the date when any organization  
10    certificate or private banker's certificate shall have been filed for  
11    examination, the superintendent, if [he] THE SUPERINTENDENT shall find  
12    after investigation and examination of what [he] THE SUPERINTENDENT  
13    deems to be the best sources of information [at his command] AVAILABLE  
14    that the character, responsibility and general fitness of the person or  
15    persons named in such certificate are such as to command confidence and  
16    warrant belief that the business of the proposed corporation or private  
17    banker will be honestly and efficiently conducted in accordance with the  
18    intent and purpose of this chapter, and that the public convenience and  
19    advantage will be promoted by allowing such proposed corporation or  
20    private banker to engage in business, shall [submit] APPROVE such

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

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1 certificate [to the superintendent of financial services together with  
2 all papers, correspondence and other information in his possession  
3 relating thereto, including the results of his investigation and his  
4 recommendation in the matter]. [Such] AN EXTENSION OF SUCH NINETY DAY  
5 period [of ninety days] may be [extended] REQUESTED, by a written  
6 [consent] REQUEST executed by a majority of the persons from whom the  
7 superintendent received such organization certificate or private bank-  
8 er's certificate, for such additional reasonable period of time as may  
9 be required for applicants to comply with conditions precedent stipu-  
10 lated by the superintendent as being a prerequisite to his [recommenda-  
11 tion to the superintendent of financial services] OR HER APPROVAL. THE  
12 SUPERINTENDENT, IN THE SUPERINTENDENT'S SOLE DISCRETION, SHALL DETERMINE  
13 WHETHER TO GRANT SUCH AN EXTENSION.

14 2. [If three-fifths of the members of the board, after consideration  
15 of all relevant information available to them, shall vote for approval,  
16 the] THE superintendent[, if he is still satisfied, upon the consider-  
17 ations set forth in subdivision one of this section, that such proposed  
18 corporation or private banker should be permitted to engage in busi-  
19 ness,] shall [approve such certificate and] ALSO endorse upon each of  
20 the duplicates the date of such approval. [He] THE SUPERINTENDENT shall  
21 forthwith cause notice of such approval to be given to the proposed  
22 incorporators or private banker and one of the duplicate certificates  
23 [to] SHALL be filed in the office of the department and the other in the  
24 office of the clerk of the county in which the principal office of such  
25 proposed corporation or private banker is to be located. In a case in  
26 which a private banker certificate is submitted to the superintendent  
27 for the purpose of continuing the business in connection with a change  
28 in its partnership, the superintendent shall approve the private banker  
29 certificate [without any action by the superintendent of financial  
30 services] upon making a determination that the private banker should be  
31 permitted to continue its business based upon the considerations set  
32 forth in subdivision one of this section.

33 3. If [three-fifths of the members of the superintendent of financial  
34 services shall not vote for approval, or if] the superintendent[, either  
35 prior or subsequent to the submission of such certificate to the board,]  
36 is not satisfied, upon the considerations set forth in subdivision one  
37 of this section, that such proposed corporation or private banker should  
38 be permitted to engage in business, the superintendent shall refuse such  
39 certificate and shall endorse thereon the date of such refusal and  
40 return one of the duplicates to the proposed incorporators or private  
41 banker from whom such certificate was received.

42 4. The provisions of this section shall not apply to any organization  
43 certificate required to be filed in the office of the superintendent by  
44 SECTION ONE HUNDRED THIRTY-SIX, BY section two hundred sixty-b, by  
45 section four hundred ten, by section four hundred eleven or by section  
46 four hundred eighty-six of this chapter.

47 S 2. Subdivisions 1 and 3 of section 25 of the banking law, subdivi-  
48 sion 1 as amended by chapter 512 of the laws of 1977 and subdivision 3  
49 as amended by chapter 561 of the laws of 1946, are amended to read as  
50 follows:

51 1. If the superintendent shall find that a corporation or private  
52 banker, the certificate of which has been approved and filed as provided  
53 in section twenty-four of this article, has in good faith complied with  
54 all the requirements of law and fulfilled all the conditions precedent  
55 to commencing business imposed by this chapter, [he] THE SUPERINTENDENT  
56 shall, within ninety days after the date of such approval, [or within

1 such longer period thereafter as he may permit pursuant to the second  
2 sentence of this subdivision, but in no case after the expiration of  
3 that period,] issue [under his hand] and EXECUTE UNDER the official seal  
4 of the department, in triplicate, an authorization certificate to the  
5 person or persons named in such organization certificate or private  
6 banker's certificate. [The] NOTWITHSTANDING THE PRECEDING SENTENCE, IF  
7 THE SUPERINTENDENT DETERMINES IT IS CONSISTENT WITH THE DECLARATION OF  
8 POLICY CONTAINED IN SECTION TEN OF THIS ARTICLE, THE superintendent may  
9 extend the period within which [he] THE SUPERINTENDENT may issue the  
10 authorization certificate by (I) an additional [sixty] NINETY days,  
11 provided, however, that he OR SHE shall have determined that such exten-  
12 sion of time is needed for raising capital, for fulfilling any other  
13 condition precedent to the commencement of business or for satisfying  
14 any other requirement of organization, whether imposed by statute or  
15 regulation[, and that such extension is consistent with the declaration  
16 of policy contained in section ten of this chapter] OR OTHERWISE, OR  
17 (II) SUCH LONGER PERIOD OF TIME AS HE OR SHE SHALL DEEM APPROPRIATE,  
18 PROVIDED, HOWEVER, THAT HE OR SHE SHALL HAVE DETERMINED THAT EXTRAOR-  
19 DINARY CIRCUMSTANCES EXIST. Such authorization certificate shall state  
20 that the corporation or private banker named therein has complied with  
21 the provisions of this chapter and that it is authorized to transact the  
22 business specified therein. Such authorization certificate shall be  
23 conclusive evidence that all conditions precedent have been fulfilled  
24 and that the corporation has been formed under this chapter, except in  
25 an action or special proceeding brought by the superintendent or the  
26 attorney general. The superintendent shall cause one of the triplicate  
27 authorization certificates to be transmitted to the corporation or  
28 private banker thereby authorized to commence business, another to be  
29 filed in the office of the department, and the third to be filed in the  
30 county clerk's office in which the organization certificate or the  
31 private banker's certificate has been filed. The copies of the authori-  
32 zation certificate filed in the offices of the superintendent and the  
33 county clerk shall be attached to the copies of the organization certif-  
34 icate or private banker's certificate previously filed and such certif-  
35 icates shall be recorded in the records of incorporation therein.

36 3. Any corporation which shall not commence business within six months  
37 after the date on which its authorization certificate is issued by the  
38 superintendent shall forfeit its rights and privileges as a corporation  
39 and its corporate powers shall cease and determine unless the time with-  
40 in which such business may be commenced has been extended by the super-  
41 intendent. Upon satisfactory cause being shown, the superintendent may  
42 grant [an extension for a period of not more than one year] ONE OR MORE  
43 EXTENSIONS. Such extension shall be granted by order executed, transmit-  
44 ted and filed in the manner provided for an authorization certificate in  
45 subdivision one of this section.

46 S 3. Subdivision 2 of section 28-b of the banking law is REPEALED.

47 S 4. The opening paragraph and subparagraph 12 of paragraph (a) of  
48 subdivision 3 of section 28-b of the banking law, as amended by chapter  
49 315 of the laws of 2008, and as further amended by section 104 of part A  
50 of chapter 62 of the laws of 2011, are amended to read as follows:

51 When taking any action on an application OR NOTICE made by a banking  
52 institution under (I) section one hundred five, two hundred twenty-four,  
53 two hundred forty, or three hundred ninety-six of this chapter for a  
54 branch office [or under], (II) section one hundred ninety-one of this  
55 chapter for a public accommodation office [or under], (III) section six  
56 hundred one-b of this chapter for approval [or disapproval] of a merger

1 or purchase of assets, or [taking any action on a notice submitted by a  
2 banking institution] (IV) under section one hundred five-a, two hundred  
3 forty-a or three hundred ninety-six-a of this chapter for the use or  
4 installation of an automated teller machine, point-of-sale terminal or  
5 similar electronic facility or on any other application OR NOTICE to  
6 which the superintendent of financial services shall by rule or regu-  
7 lation make applicable the provisions of this section, the superinten-  
8 dent shall take into account, among other factors, an assessment, in  
9 writing, of the record of performance of the banking institution in  
10 helping to meet the credit needs of its entire community, including low  
11 and moderate-income neighborhoods, consistent with safe and sound opera-  
12 tion of the banking institution. Such assessment and any written commu-  
13 nications from the department of financial services to a banking insti-  
14 tution relating to such assessment shall be made available to the public  
15 upon request, provided that nothing contained in this subdivision shall  
16 be deemed to alter, amend or affect the provisions of subdivision ten of  
17 section thirty-six of this chapter. In making such assessment the super-  
18 intendent shall review all reports and documents filed pursuant to  
19 subdivision one of this section and any signed, written comments  
20 received by the superintendent which specifically relate to the banking  
21 institution's performance in helping to meet the credit needs of its  
22 community. In addition, the superintendent shall consider the following  
23 factors in assessing a banking institution's record of performance:

24 (12) Other factors that, in the judgment of the superintendent [and  
25 superintendent of financial services], reasonably bear upon the extent  
26 to which a banking institution is helping to meet the credit needs of  
27 its entire community, including, without limitation, the banking insti-  
28 tution's participation in credit counseling services.

29 S 5. Subdivision 5 of section 28-b of the banking law, as added by  
30 chapter 361 of the laws of 1984 and as further amended by section 104 of  
31 part A of chapter 62 of the laws of 2011, is amended to read as follows:

32 5. The superintendent [of financial services] is hereby authorized and  
33 empowered[, by a three-fifths vote of all its members,] to promulgate  
34 rules and regulations effectuating the provisions of this section,  
35 including any rules and regulations providing that the assessment of  
36 banking institutions referred to in subdivision three of this section  
37 shall be made on a graduated numerical basis.

38 S 6. Subdivision 1 of section 75-g of the banking law, as added by  
39 chapter 9 of the laws of 1996 and as designated by section 4-a of part A  
40 of chapter 57 of the laws of 1998, is amended and a new subdivision 2 is  
41 added to read as follows:

42 1. [Within one year after the effective date of this article, and each  
43 year thereafter,] BY THE FIFTEENTH DAY OF JANUARY AND JULY OF EACH YEAR  
44 (OR THE FOLLOWING BUSINESS DAY IF SUCH DAY IS NOT A BUSINESS DAY), every  
45 banking institution which [has] HAD an automated teller machine facility  
46 which [is] WAS in operation on [such date and such date every year ther-  
47 eafter] THE FIFTEENTH DAY OF THE PRECEDING MONTH shall submit a written  
48 COMPLIANCE report to the department on a form prescribed by the super-  
49 intendent, certifying that such automated teller machine facility is in  
50 compliance with the provisions of this article or any variance or  
51 exemption that has been granted, or if such facility is not in compli-  
52 ance with such provisions, [such report shall state] STATING the manner  
53 in which such facility fails to meet such requirements[, the reasons for  
54 such non-compliance and a plan to remedy any such non-compliance].  
55 NOTWITHSTANDING ARTICLE THREE OF THE STATE TECHNOLOGY LAW OR ANY OTHER  
56 LAW TO THE CONTRARY, THE SUPERINTENDENT MAY REQUIRE THAT SUCH REPORTS

1 AND ANY OTHER REPORTS REQUIRED BY THIS SECTION SHALL BE MADE BY ELEC-  
2 TRONIC MEANS, UNLESS THE SUPERINTENDENT, IN HIS OR HER SOLE DISCRETION,  
3 GRANTS A WAIVER OF SUCH ELECTRONIC FILING REQUIREMENTS, UPON GOOD CAUSE  
4 SHOWN.

5 2. IF ANY COMPLIANCE REPORT REQUIRED BY SUBDIVISION ONE OF THIS  
6 SECTION INDICATES ANY FAILURE TO MEET THE REQUIREMENTS OF THIS ARTICLE,  
7 SUCH BANKING INSTITUTION SHALL SUBMIT A WRITTEN REPORT TO THE DEPART-  
8 MENT, ON A FORM PRESCRIBED BY THE SUPERINTENDENT, NO LATER THAN THE  
9 ELEVENTH BUSINESS DAY FOLLOWING SUCH COMPLIANCE REPORT, INDICATING  
10 WHETHER EACH SUCH FAILURE HAS BEEN CORRECTED AND, FOR ANY FAILURE THAT  
11 HAS NOT BEEN CORRECTED, THE REASON FOR SUCH FAILURE AND THE EXPECTED  
12 CORRECTION DATE. IF ANY SUCH FAILURE SHALL NOT HAVE BEEN CORRECTED WITH-  
13 IN TEN BUSINESS DAYS OF THE FILING DATE OF THE APPLICABLE COMPLIANCE  
14 REPORT, SUCH BANKING INSTITUTION SHALL, PROMPTLY AFTER CORRECTING SUCH  
15 FAILURE, SUBMIT A WRITTEN REPORT TO THE DEPARTMENT WITH THE DATE OR  
16 DATES OF EACH SUCH CORRECTION.

17 S 7. Subdivision 1 of section 75-j of the banking law, as amended by  
18 section 11 of part 0 of chapter 59 of the laws of 2006, is amended to  
19 read as follows:

20 1. Any banking institution found to be in violation of any provision  
21 of section seventy-five-c of this article IN A COMPLIANCE REPORT UNDER  
22 SECTION SEVENTY-FIVE-G OF THIS ARTICLE OR OTHERWISE FOUND BY THE DEPART-  
23 MENT TO BE IN VIOLATION OF ANY PROVISION OF SECTION SEVENTY-FIVE-C OF  
24 THIS ARTICLE shall correct the violation within ten business days after  
25 such finding. Where a banking institution fails to correct [said  
26 violation within such period of time] ANY VIOLATION OF A PROVISION OF  
27 SECTION SEVENTY-FIVE-C OF THIS ARTICLE WITHIN TEN BUSINESS DAYS AFTER  
28 THE FILING OF SUCH REPORT OR A FINDING OF VIOLATION BY THE DEPARTMENT,  
29 the superintendent may in a proceeding after notice and a hearing,  
30 require [any] SUCH banking institution to pay a civil penalty in an  
31 amount as determined pursuant to section forty-four of this chapter,  
32 provided, however, that the aggregate penalty for all offenses with  
33 respect to any one automated teller machine facility in any one proceed-  
34 ing shall not exceed an amount as determined pursuant to section forty-  
35 four of this chapter. For the purposes of this article, each violation  
36 of section seventy-five-c of this article shall be considered a separate  
37 and distinct violation.

38 S 8. Paragraphs (a) and (c) of subdivision 1 of section 103 of the  
39 banking law, as amended by chapter 1 of the laws of 1983 and as further  
40 amended by section 104 of part A of chapter 62 of the laws of 2011, are  
41 amended to read as follows:

42 (a) The limitations in this subdivision shall not apply to (1) any  
43 loan to the extent that the United States, this state or any city, coun-  
44 ty, town, village or school district of this state, [any federal inter-  
45 mediate credit bank, Federal National Mortgage Association, any federal  
46 land bank, any bank for cooperatives organized under the laws of the  
47 United States, any national mortgage association, any federal home loan  
48 bank, the Small Business Administration] or any [other] department,  
49 agency or instrumentality of the United States or this state designated  
50 by the superintendent [of financial services] by general or specific  
51 regulation [upon a three-fifths vote of all its members], has agreed to  
52 pay the principal and interest thereof, or has guaranteed payment (by  
53 guaranty or commitment to purchase or otherwise) of such principal and  
54 interest, or is committed to supply, by loan, subsidy or otherwise,  
55 funds sufficient to pay such principal and interest, or has otherwise  
56 pledged its faith and credit for the payment of such principal and

1 interest; or (2) any loan secured by not less than a like amount (BASED  
2 ON THEIR PRINCIPAL AMOUNT OR MARKET VALUE, WHICHEVER IS LOWER, AT THE  
3 TIME THE LOAN IS MADE) of direct obligations [(based on their principal  
4 amount or market value, whichever is lower, at the time the loan is  
5 made)] of the United States or of this state or of any city, county,  
6 town, village or school district of this state or of any such depart-  
7 ment, agency or instrumentality of the United States or this state[; or  
8 (3) when authorized by the superintendent, any loan to a savings bank of  
9 this state or a corporation all of the capital stock of which is owned  
10 by not less than twenty savings banks of this state] OR BY OBLIGATIONS  
11 OTHERWISE FULLY GUARANTEED AS TO PRINCIPAL AND INTEREST BY THE UNITED  
12 STATES.

13 (c) Loans (exclusive of any loan described in paragraph (a) of this  
14 subdivision) to any state other than the state of New York, or to any  
15 foreign nation, the New York State thruway authority, the Triborough  
16 bridge and tunnel authority, The Port of New York Authority, a railroad  
17 corporation, a municipal corporation of this state, a corporation  
18 subject to the jurisdiction of a public service commission of this  
19 state, or any international lending facility or public benefit corpo-  
20 ration designated by the superintendent [of financial services] by  
21 [general or specific] regulation [upon a three-fifths vote of all its  
22 members], may equal but not exceed twenty-five per centum of the capital  
23 stock, surplus fund and undivided profits of such bank or trust company.

24 S 9. Subdivision 1 of section 591 of the banking law, as added by  
25 chapter 571 of the laws of 1986, paragraph (b) as amended by chapter 164  
26 of the laws of 2003, is amended to read as follows:

27 1. The application for a license to be a mortgage banker shall be in  
28 writing, under oath, and in the form prescribed by the superintendent.  
29 NOTWITHSTANDING ARTICLE THREE OF THE STATE TECHNOLOGY LAW OR ANY OTHER  
30 LAW TO THE CONTRARY, THE SUPERINTENDENT MAY REQUIRE THAT AN APPLICATION  
31 FOR, OR RENEWAL OF, A LICENSE OR ANY OTHER SUBMISSION OR APPLICATION FOR  
32 APPROVAL AS MAY BE REQUIRED BY THIS ARTICLE, BE MADE OR EXECUTED BY  
33 ELECTRONIC MEANS, INCLUDING THROUGH THE NATIONAL MORTGAGE LICENSING  
34 SYSTEM AND REGISTRY OR OTHER ENTITIES DESIGNATED BY THE NATIONAL MORT-  
35 GAGE LICENSING SYSTEM AND REGISTRY IF HE OR SHE DEEMS IT NECESSARY TO  
36 ENSURE THE EFFICIENT AND EFFECTIVE ADMINISTRATION OF THIS ARTICLE. The  
37 application shall contain the name and complete business and residential  
38 address or addresses of the applicant. If the applicant is a partner-  
39 ship, association, corporation or other form of business organization,  
40 the application shall contain the names and complete business and resi-  
41 dential addresses of each member, director and principal officer there-  
42 of. Such application shall also include a description of the activities  
43 of the applicant, in such detail and for such periods, as the super-  
44 intendent may require; including:

45 (a) An affirmation of financial solvency noting such capitalization  
46 requirements as may be required by the superintendent, and access to  
47 such credit as may be required by the superintendent;

48 (b) The fingerprints of the applicant, which may be submitted to the  
49 division of criminal justice services and the federal bureau of investi-  
50 gation for state and national criminal history record checks;

51 (c) An affirmation that the applicant, or its members, directors or  
52 principals as may be appropriate, are at least twenty-one years of age;

53 (d) Information as to the character, fitness, financial and business  
54 responsibility, background and experiences of the applicant.

1 S 10. Subdivision 1 of section 591-a of the banking law, as amended by  
2 section 53 of part O of chapter 59 of the laws of 2006, is amended to  
3 read as follows:

4 1. An application to become registered as a mortgage broker shall be  
5 in writing, under oath, in such form as shall be prescribed by the  
6 superintendent, and shall be accompanied by the fingerprints of the  
7 applicant. NOTWITHSTANDING ARTICLE THREE OF THE STATE TECHNOLOGY LAW OR  
8 ANY OTHER LAW TO THE CONTRARY, THE SUPERINTENDENT MAY REQUIRE THAT AN  
9 APPLICATION FOR, OR RENEWAL OF, A LICENSE OR ANY OTHER SUBMISSION OR  
10 APPLICATION FOR APPROVAL AS MAY BE REQUIRED BY THIS ARTICLE, BE MADE OR  
11 EXECUTED BY ELECTRONIC MEANS, INCLUDING THROUGH THE NATIONAL MORTGAGE  
12 LICENSING SYSTEM AND REGISTRY OR OTHER ENTITIES DESIGNATED BY THE  
13 NATIONAL MORTGAGE LICENSING SYSTEM AND REGISTRY IF HE OR SHE DEEMS IT  
14 NECESSARY TO ENSURE THE EFFICIENT AND EFFECTIVE ADMINISTRATION OF THIS  
15 ARTICLE. Such fingerprints shall be submitted to the division of crimi-  
16 nal justice services for a state criminal history record check, as  
17 defined in subdivision one of section three thousand thirty-five of the  
18 education law, and may be submitted to the federal bureau of investi-  
19 gation for a national criminal history record check. Such application  
20 shall contain the name and complete business and residential address or  
21 addresses of the applicant, or if the applicant is a partnership, asso-  
22 ciation, corporation or other form of business organization, the names  
23 and complete business and residential addresses of each member, director  
24 and principal officer thereof. Such application shall also include an  
25 affirmation of financial solvency noting such capitalization require-  
26 ments as may be required by the superintendent, and such descriptions of  
27 the business activities, financial responsibility, educational back-  
28 ground and general character and fitness of the applicant as may be  
29 required by the superintendent. Such application shall be accompanied by  
30 an investigation fee payable to the superintendent as prescribed pursu-  
31 ant to section eighteen-a of this chapter.

32 S 11. Section 520-c of the general business law, as added by chapter 1  
33 of the laws of 1994, subdivisions 1, 2, 3 and 5 as further amended by  
34 section 104 of part A of chapter 62 of the laws of 2011, is amended to  
35 read as follows:

36 S 520-c. Credit information. 1. The department of financial services  
37 shall establish A TELEPHONE NUMBER AND AN AREA ON ITS WEBSITE, OR  
38 PROVIDE A LINK ON SUCH SITE TO OTHER WEBSITES WITH a toll-free telephone  
39 number service at which CUSTOMERS MAY OBTAIN information on annual  
40 percentage rates, annual fees, per-transaction charges, late payment  
41 fees, overlimit fees and grace periods for credit cards [can be  
42 obtained] TO THE EXTENT READILY AVAILABLE TO THE DEPARTMENT. Every  
43 issuer of credit cards to natural persons residing in this state shall  
44 set forth on each solicitation, application and monthly billing state-  
45 ment mailed or otherwise presented to such persons, a notice stating  
46 "New York residents may contact the New York state department of finan-  
47 cial services [to obtain a] BY TELEPHONE OR VISIT ITS WEBSITE FOR FREE  
48 INFORMATION ON comparative [listing of] credit card rates, fees and  
49 grace periods." Such notice shall be printed on the same side as the  
50 disclosure of rates, fees and charges, in case of the solicitations and  
51 applications, and on the same side as the notice of the balance of the  
52 account and the amount due are printed, in the case of the monthly bill-  
53 ing statement. The superintendent of financial services shall prescribe  
54 the WEB address and telephone number to be printed next to the notice.  
55 The notice shall be in type no smaller than eight points. THE TELEPHONE  
56 NUMBER OF THE CREDIT CARD ISSUER SHALL APPEAR HIGHER UP ON THE PAGE AND

1 IN THE TYPE AT LEAST AS LARGE AS THAT PROVIDED FOR THE TELEPHONE NUMBER  
2 OF THE DEPARTMENT OF FINANCIAL SERVICES. Issuers shall include such  
3 notice in materials sent to residents of this state as required under  
4 this section commencing October first, nineteen hundred ninety-four.

5 2. [The superintendent of financial services shall develop and  
6 distribute to all issuers of credit cards, no more than thirty days  
7 after the effective date of this section, a form which shall be used for  
8 the purpose of collecting information on annual percentage rates, annual  
9 fees, per-transaction charges, late payment fees, overlimit fees and  
10 grace periods governed by the terms of each type of credit card offered  
11 by such issuer to natural persons residing in this state. Issuers shall  
12 return the forms to the department of financial services no later than  
13 one hundred fifty days after the effective date of this section, and  
14 annually thereafter, but no later than April first of each year,  
15 commencing in nineteen hundred ninety-five. The superintendent of finan-  
16 cial services shall publish the information obtained from such forms and  
17 make it available to New York residents upon request, commencing not  
18 later than October first, nineteen hundred ninety-four, and annually  
19 thereafter but not later than July first of each year.

20 3.] The superintendent of financial services is authorized to adopt  
21 such rules and regulations as consistent with the provisions of this  
22 section.

23 [4.] 3. For the purposes of this section:

24 (a) "Credit card" means any card issued pursuant to an agreement which  
25 allows the holder of the card to obtain goods and services on the credit  
26 of the issuer; and

27 (b) "Issuer" means any bank, trust company, savings bank, savings and  
28 loan association, or branch of a foreign banking corporation the depos-  
29 its of which are insured by the federal deposit insurance corporation,  
30 which is incorporated, chartered, organized or licensed under the laws  
31 of this state or any other state or the United States, which issues  
32 credit cards to natural persons residing in this state.

33 [5.] 4. The authority of the superintendent of financial services  
34 pursuant to sections thirty-nine and forty-four of the banking law shall  
35 extend to violations of this section by any issuer.

36 S 12. This act shall take effect immediately; provided, however that  
37 section eleven of this act shall take effect on the ninetieth day after  
38 it shall have become a law.