

4366

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

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  
21    certificate [to the superintendent of financial services together with  
22    all papers, correspondence and other information in his possession  
23    relating thereto, including the results of his investigation and his

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

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

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

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

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

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

48 1. If the superintendent shall find that a corporation or private  
49 banker, the certificate of which has been approved and filed as provided  
50 in section twenty-four of this article, has in good faith complied with  
51 all the requirements of law and fulfilled all the conditions precedent  
52 to commencing business imposed by this chapter, [he] THE SUPERINTENDENT  
53 shall, within ninety days after the date of such approval, [or within  
54 such longer period thereafter as he may permit pursuant to the second  
55 sentence of this subdivision, but in no case after the expiration of  
56 that period,] issue [under his hand] and EXECUTE UNDER the official seal

1 of the department, in triplicate, an authorization certificate to the  
2 person or persons named in such organization certificate or private  
3 banker's certificate. [The] NOTWITHSTANDING THE PRECEDING SENTENCE, IF  
4 THE SUPERINTENDENT DETERMINES IT IS CONSISTENT WITH THE DECLARATION OF  
5 POLICY CONTAINED IN SECTION TEN OF THIS ARTICLE, THE superintendent may  
6 extend the period within which [he] THE SUPERINTENDENT may issue the  
7 authorization certificate by (I) an additional [sixty] NINETY days,  
8 provided, however, that he OR SHE shall have determined that such exten-  
9 sion of time is needed for raising capital, for fulfilling any other  
10 condition precedent to the commencement of business or for satisfying  
11 any other requirement of organization, whether imposed by statute or  
12 regulation[, and that such extension is consistent with the declaration  
13 of policy contained in section ten of this chapter] OR OTHERWISE, OR  
14 (II) SUCH LONGER PERIOD OF TIME HE OR SHE SHALL DEEM APPROPRIATE,  
15 PROVIDED, HOWEVER, THAT HE OR SHE SHALL HAVE DETERMINED THAT EXTRAOR-  
16 DINARY CIRCUMSTANCES EXIST. Such authorization certificate shall state  
17 that the corporation or private banker named therein has complied with  
18 the provisions of this chapter and that it is authorized to transact the  
19 business specified therein. Such authorization certificate shall be  
20 conclusive evidence that all conditions precedent have been fulfilled  
21 and that the corporation has been formed under this chapter, except in  
22 an action or special proceeding brought by the superintendent or the  
23 attorney general. The superintendent shall cause one of the triplicate  
24 authorization certificates to be transmitted to the corporation or  
25 private banker thereby authorized to commence business, another to be  
26 filed in the office of the department, and the third to be filed in the  
27 county clerk's office in which the organization certificate or the  
28 private banker's certificate has been filed. The copies of the authori-  
29 zation certificate filed in the offices of the superintendent and the  
30 county clerk shall be attached to the copies of the organization certif-  
31 icate or private banker's certificate previously filed and such certif-  
32 icates shall be recorded in the records of incorporation therein.

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

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

44 S 4. The opening paragraph and subparagraph 12 of paragraph (a) of  
45 subdivision 3 of section 28-b of the banking law, as amended by chapter  
46 315 of the laws of 2008, and as further amended by section 104 of part A  
47 of chapter 62 of the laws of 2011, are amended to read as follows:

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

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

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

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

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

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

39 1. [Within one year after the effective date of this article, and each  
40 year thereafter,] BY THE FIFTEENTH DAY OF JANUARY, APRIL, JULY AND OCTO-  
41 BER EACH YEAR (OR THE FOLLOWING BUSINESS DAY IF SUCH DAY IS NOT A BUSI-  
42 NESS DAY), every banking institution which [has] HAD an automated teller  
43 machine facility which [is] WAS in operation on [such date and such date  
44 every year thereafter] THE FIFTEENTH DAY OF THE PRECEDING MONTH shall  
45 submit a written COMPLIANCE report to the department on a form  
46 prescribed by the superintendent, certifying that such automated teller  
47 machine facility is in compliance with the provisions of this article or  
48 any variance or exemption that has been granted, or if such facility is  
49 not in compliance with such provisions, [such report shall state] STAT-  
50 ING the manner in which such facility fails to meet such requirements[,  
51 the reasons for such non-compliance and a plan to remedy any such non-  
52 compliance]. NOTWITHSTANDING ARTICLE THREE OF THE STATE TECHNOLOGY LAW  
53 OR ANY OTHER LAW TO THE CONTRARY, SUCH REPORTS AND ANY OTHER REPORTS  
54 REQUIRED BY THIS SECTION SHALL BE MADE BY ELECTRONIC MEANS, UNLESS THE  
55 SUPERINTENDENT, IN HIS OR HER SOLE DISCRETION, GRANTS A WAIVER OF SUCH  
56 ELECTRONIC FILING REQUIREMENTS, UPON GOOD CAUSE SHOWN.

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

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

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

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

38 (a) The limitations in this subdivision shall not apply to (1) any  
39 loan to the extent that the United States, this state or any city, coun-  
40 ty, town, village or school district of this state, [any federal inter-  
41 mediate credit bank, Federal National Mortgage Association, any federal  
42 land bank, any bank for cooperatives organized under the laws of the  
43 United States, any national mortgage association, any federal home loan  
44 bank, the Small Business Administration] or any [other] department,  
45 agency or instrumentality of the United States or this state designated  
46 by the superintendent [of financial services] by general or specific  
47 regulation [upon a three-fifths vote of all its members], has agreed to  
48 pay the principal and interest thereof, or has guaranteed payment (by  
49 guaranty or commitment to purchase or otherwise) of such principal and  
50 interest, or is committed to supply, by loan, subsidy or otherwise,  
51 funds sufficient to pay such principal and interest, or has otherwise  
52 pledged its faith and credit for the payment of such principal and  
53 interest; or (2) any loan secured by not less than a like amount (BASED  
54 ON THEIR PRINCIPAL AMOUNT OR MARKET VALUE, WHICHEVER IS LOWER, AT THE  
55 TIME THE LOAN IS MADE) of direct obligations [(based on their principal  
56 amount or market value, whichever is lower, at the time the loan is

made)] of the United States or of this state or of any city, county, town, village or school district of this state or of any such department, agency or instrumentality of the United States or this state[; or (3) when authorized by the superintendent, any loan to a savings bank of this state or a corporation all of the capital stock of which is owned by not less than twenty savings banks of this state] OR BY OBLIGATIONS OTHERWISE FULLY GUARANTEED AS TO PRINCIPAL AND INTEREST BY THE UNITED STATES.

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

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

1. The application for a license to be a mortgage banker shall be in writing, under oath, and in the form prescribed by the superintendent. NOTWITHSTANDING ARTICLE THREE OF THE STATE TECHNOLOGY LAW OR ANY OTHER LAW TO THE CONTRARY, THE SUPERINTENDENT MAY REQUIRE THAT AN APPLICATION FOR, OR RENEWAL OF, A LICENSE OR ANY OTHER SUBMISSION OR APPLICATION FOR APPROVAL AS MAY BE REQUIRED BY THIS ARTICLE, BE MADE OR EXECUTED BY ELECTRONIC MEANS, INCLUDING THROUGH THE NMLSR OR OTHER ENTITIES DESIGNATED BY THE NMLSR IF HE OR SHE DEEMS IT NECESSARY TO ENSURE THE EFFICIENT AND EFFECTIVE ADMINISTRATION OF THIS ARTICLE. The application shall contain the name and complete business and residential address or addresses of the applicant. If the applicant is a partnership, association, corporation or other form of business organization, the application shall contain the names and complete business and residential addresses of each member, director and principal officer thereof. Such application shall also include a description of the activities of the applicant, in such detail and for such periods, as the superintendent may require; including:

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

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

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

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

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

1. An application to become registered as a mortgage broker shall be in writing, under oath, in such form as shall be prescribed by the superintendent, and shall be accompanied by the fingerprints of the applicant. NOTWITHSTANDING ARTICLE THREE OF THE STATE TECHNOLOGY LAW OR

1 ANY OTHER LAW TO THE CONTRARY, THE SUPERINTENDENT MAY REQUIRE THAT AN  
2 APPLICATION FOR, OR RENEWAL OF, A LICENSE OR ANY OTHER SUBMISSION OR  
3 APPLICATION FOR APPROVAL AS MAY BE REQUIRED BY THIS ARTICLE, BE MADE OR  
4 EXECUTED BY ELECTRONIC MEANS, INCLUDING THROUGH THE NMLSR OR OTHER ENTITIES  
5 DESIGNATED BY THE NMLSR IF HE OR SHE DEEMS IT NECESSARY TO ENSURE  
6 THE EFFICIENT AND EFFECTIVE ADMINISTRATION OF THIS ARTICLE. Such finger-  
7 prints shall be submitted to the division of criminal justice services  
8 for a state criminal history record check, as defined in subdivision one  
9 of section three thousand thirty-five of the education law, and may be  
10 submitted to the federal bureau of investigation for a national criminal  
11 history record check. Such application shall contain the name and  
12 complete business and residential address or addresses of the applicant,  
13 or if the applicant is a partnership, association, corporation or other  
14 form of business organization, the names and complete business and resi-  
15 dential addresses of each member, director and principal officer there-  
16 of. Such application shall also include an affirmation of financial  
17 solvency noting such capitalization requirements as may be required by  
18 the superintendent, and such descriptions of the business activities,  
19 financial responsibility, educational background and general character  
20 and fitness of the applicant as may be required by the superintendent.  
21 Such application shall be accompanied by an investigation fee payable to  
22 the superintendent as prescribed pursuant to section eighteen-a of this  
23 chapter.

24 S 11. Subdivision 1 of section 595-b of the banking law, as amended by  
25 chapter 155 of the laws of 2012, is amended to read as follows:

26 1. Establishment of grounds to impose a fine or penalty. In addition  
27 to such other rules, regulations and policies as the superintendent may  
28 promulgate to effectuate the purposes of this article, the superinten-  
29 dent shall promulgate regulations and policies governing the establish-  
30 ment of grounds to impose a fine or penalty with respect to the activ-  
31 ities of a mortgage loan servicer. NOTWITHSTANDING ARTICLE THREE OF THE  
32 STATE TECHNOLOGY LAW OR ANY OTHER LAW TO THE CONTRARY, THE SUPERINTEN-  
33 DENT MAY REQUIRE THAT AN APPLICATION FOR, OR RENEWAL OF, A LICENSE OR  
34 ANY OTHER SUBMISSION OR APPLICATION FOR APPROVAL AS MAY BE REQUIRED BY  
35 THIS ARTICLE, BE MADE OR EXECUTED BY ELECTRONIC MEANS, INCLUDING THROUGH  
36 THE NMLSR OR OTHER ENTITIES DESIGNATED BY THE NMLSR IF HE OR SHE DEEMS  
37 IT NECESSARY TO ENSURE THE EFFICIENT AND EFFECTIVE ADMINISTRATION OF  
38 THIS ARTICLE.

39 S 12. Section 520-c of the general business law, as added by chapter 1  
40 of the laws of 1994, subdivisions 1, 2, 3 and 5 as further amended by  
41 section 104 of part A of chapter 62 of the laws of 2011, is amended to  
42 read as follows:

43 S 520-c. Credit information. 1. The department of financial services  
44 shall establish A TELEPHONE NUMBER AND AN AREA ON ITS WEBSITE, OR  
45 PROVIDE A LINK ON SUCH SITE TO OTHER WEBSITES WITH, a toll-free tele-  
46 phone number service at which CUSTOMERS MAY OBTAIN information on annual  
47 percentage rates, annual fees, per-transaction charges, late payment  
48 fees, overlimit fees and grace periods for credit cards [can be  
49 obtained] TO THE EXTENT READILY AVAILABLE TO THE DEPARTMENT. Every  
50 issuer of credit cards to natural persons residing in this state shall  
51 set forth on each solicitation, application and monthly billing state-  
52 ment mailed or otherwise presented to such persons, a notice stating  
53 "New York residents may contact the New York state department of finan-  
54 cial services [to obtain a] BY TELEPHONE OR VISIT ITS WEBSITE FOR FREE  
55 INFORMATION ON comparative [listing of] credit card rates, fees and  
56 grace periods." Such notice shall be printed on the same side as the

1 disclosure of rates, fees and charges, in case of the solicitations and  
2 applications, and on the same side as the notice of the balance of the  
3 account and the amount due are printed, in the case of the monthly bill-  
4 ing statement. The superintendent of financial services shall prescribe  
5 the address and telephone number to be printed next to the notice. The  
6 notice shall be in type no smaller than eight points. Issuers shall  
7 include such notice in materials sent to residents of this state as  
8 required under this section commencing October first, nineteen hundred  
9 ninety-four.

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

25 3.] The superintendent of financial services is authorized to adopt  
26 such rules and regulations as consistent with the provisions of this  
27 section.

28 [4.] 3. For the purposes of this section:

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

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

38 [5.] 4. The authority of the superintendent of financial services  
39 pursuant to sections thirty-nine and forty-four of the banking law shall  
40 extend to violations of this section by any issuer.

41 S 13. This act shall take effect immediately; provided, however that  
42 sections six and seven of this act shall take effect on the first of  
43 March next succeeding the date on which it shall have become a law or  
44 such later date as the superintendent of financial services may deter-  
45 mine necessary for the department of financial services to develop a  
46 system for the automated reporting of compliance with the requirements  
47 of article 2-AA of the banking law; provided that the superintendent of  
48 financial services shall notify the legislative bill drafting commission  
49 upon the development of such system of automated reporting in order that  
50 the commission may maintain an accurate and timely effective data base  
51 of the official text of the laws of the state of New York in furtherance  
52 of effectuating the provisions of section 44 of the legislative law and  
53 section 70-b of the public officers law.