

STATE OF NEW YORK

9588

IN ASSEMBLY

March 22, 2024

Introduced by M. of A. HUNTER -- read once and referred to the Committee on Banks

AN ACT to amend the banking law, in relation to the regulation of buy-now-pay-later lenders

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-B to
2 read as follows:

3 ARTICLE XIV-B
4 BUY-NOW-PAY-LATER LENDERS

5 Section 735. Short title.

6 736. Definitions.

7 737. License.

8 738. Conditions precedent to issuing a license; procedure where
9 application is denied.

10 739. License provisions and posting.

11 740. Application for acquisition of control of buy-now-pay-later
12 lender by purchase of stock.

13 741. Ground for revocation or suspension of license; procedure.

14 742. Superintendent authorized to examine.

15 743. Licensee's books and records; reports.

16 744. Acts prohibited.

17 745. Limitation on charges on buy-now-pay-later loans.

18 746. Consumer protections.

19 747. Authority of superintendent.

20 748. Penalties.

21 749. Severability.

22 § 735. Short title. This article shall be known and may be cited as
23 the "Buy Now Pay Later act".

24 § 736. Definitions. As used in this article, the following terms shall
25 have the following meanings:

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

LBD15022-01-4

1 1. "Consumer" means an individual who is a resident of the state of
2 New York.

3 2. "Buy-now-pay-later loan" means credit provided to a consumer at the
4 time of purchase in connection with such consumer's particular purchase
5 of goods and/or services, other than a motor vehicle as defined under
6 section one hundred twenty-five of the vehicle and traffic law, provided
7 that the consumer shall not be subject to any interest, penalty,
8 discount, or consideration in connection with such credit provided.

9 3. "Buy-now-pay-later lender" means a person who offers buy-now-pay-
10 later loans in this state. For purposes of the preceding sentence,
11 "offer" means offering to make a buy-now-pay-later loan by extending
12 credit directly to a consumer or operating a platform, software or
13 system with which a consumer interacts and the primary purpose of which
14 is to allow third parties to offer buy-now-pay-later loans, or both. A
15 person who sells goods or services to a consumer and extends credit to
16 such consumer in connection with such consumer's particular purchase of
17 such goods and/or services shall not be considered a buy-now-pay-later
18 lender with respect to such transactions. A person shall not be consid-
19 ered a buy-now-pay-later lender on the basis of isolated, incidental or
20 occasional transactions which otherwise meet the definitions of this
21 section.

22 4. "Exempt organization" means any banking organization or foreign
23 banking corporation licensed by the superintendent or the comptroller of
24 the currency to transact business in this state, national bank, federal
25 savings bank, federal savings and loan association, or federal credit
26 union. Subject to such regulations as may be promulgated by the super-
27 intendent, "exempt organization" may also include any subsidiary of such
28 entities.

29 5. "Licensee" means a person who has been issued a license pursuant to
30 this article.

31 6. "Person" means an individual, partnership, corporation, association
32 or any other business organization.

33 § 737. License. 1. No person or other entity, except an exempt organ-
34 ization as defined in this article, shall act as a buy-now-pay-later
35 lender without first obtaining a license from the superintendent.

36 2. An application for a license shall be in writing, under oath, and
37 in the form and containing such information as the superintendent may
38 require.

39 3. At the time of filing an application for a license, the applicant
40 shall pay to the superintendent a fee as prescribed pursuant to section
41 eighteen-a of this chapter.

42 4. A license granted pursuant to this article shall be valid unless
43 revoked or suspended by the superintendent or unless surrendered by the
44 licensee and accepted by the superintendent.

45 5. In connection with an application for a license, the applicant
46 shall submit an affidavit of financial solvency noting such capitaliza-
47 tion requirements and access to such credit as may be prescribed by the
48 regulations of the superintendent.

49 § 738. Conditions precedent to issuing a license; procedure where
50 application is denied. 1. After the filing of an application for a
51 license accompanied by payment of the fee pursuant to subdivision three
52 of section seven hundred thirty-seven of this article, it shall be
53 substantively reviewed. After the application is deemed sufficient and
54 complete, if the superintendent finds that the financial responsibility,
55 including meeting any capital requirements as established pursuant to
56 subdivision three of this section, experience, character and general

fitness of the applicant or any person associated with the applicant are such as to command the confidence of the community and to warrant the belief that the business will be conducted honestly, fairly and efficiently within the purposes and intent of this article, the superintendent shall issue the license. For the purpose of this subdivision, the applicant shall be deemed to include all the members of the applicant if it is a partnership or unincorporated association or organization, and all the stockholders, officers and directors of the applicant if it is a corporation.

2. If the superintendent refuses to issue a license, the superintendent shall notify the applicant of the denial and retain the fee paid pursuant to subdivision three of section seven hundred thirty-seven of this article.

3. The superintendent may issue regulations setting capital requirements to ensure the solvency and financial integrity of licensees and their ongoing operations, taking into account the risks, volume of business, complexity, and other relevant factors regarding such licensees. Further, the superintendent may issue rules and regulations prescribing a methodology to calculate capital requirements with respect to licensees or categories thereof.

§ 739. License provisions and posting. 1. A license issued under this article shall state the name and address of the licensee, and if the licensee be a co-partnership or association, the names of the members thereof, and if a corporation the date and place of its incorporation.

2. Such license shall be kept conspicuously posted on the mobile application, website, or other consumer interface of the licensee, as well as listed in the terms and conditions of any buy-now-pay-later loan offered or entered into by the licensee. The superintendent may provide by regulation an alternative form of notice of licensure.

3. A license issued under this article shall not be transferable or assignable.

§ 740. Application for acquisition of control of buy-now-pay-later lender by purchase of stock. 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 licensee. Prior to any change of control, the person desirous of acquiring control of the business of a licensee shall make written application to the superintendent and pay an investigation fee as prescribed pursuant to section eighteen-a of this chapter to the superintendent. The application shall contain such information as the superintendent, by regulation, 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 licensee in accordance with the provisions of section seven hundred thirty-eight of this article.

3. For a period of six months from the date of 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 a transfer of control by operation of law to the legal representative, as hereinafter defined, of one who has control of a licensee. Thereafter, such legal representative shall comply with the provisions of subdivisions one and two of this section. The provisions of subdivisions one and two of this section shall be applicable to an application made under such section by a legal representative.

1 4. The term "legal representative," for the purposes of this section,
2 shall mean one duly appointed by a court of competent jurisdiction to
3 act as executor, administrator, trustee, committee, conservator or
4 receiver, including one who succeeds a legal representative and one
5 acting in an ancillary capacity thereto in accordance with the
6 provisions of such court appointment.

7 5. As used in this section, the term "control" means the possession,
8 directly or indirectly, of the power to direct or cause the direction of
9 the management and policies of a licensee, whether through the ownership
10 of voting stock of such licensee, the ownership of voting stock of any
11 person which possesses such power or otherwise. Control shall be
12 presumed to exist if any person, directly or indirectly, owns, controls
13 or holds with power to vote ten per centum or more of the voting stock
14 of any licensee or of any person which owns, controls or holds with
15 power to vote ten per centum or more of the voting stock of any licen-
16 see, but no person shall be deemed to control a licensee solely by
17 reason of being an officer or director of such licensee or person. The
18 superintendent may in the superintendent's discretion, upon the applica-
19 tion of a licensee or any person who, directly or indirectly, owns,
20 controls or holds with power to vote or seeks to own, control or hold
21 with power to vote any voting stock of such licensee, determine whether
22 or not the ownership, control or holding of such voting stock consti-
23 tutes or would constitute control of such licensee for purposes of this
24 section.

25 § 741. Ground for revocation or suspension of license; procedure. 1. A
26 license granted pursuant to this section may be revoked or suspended by
27 the superintendent upon a finding that:

28 (a) The licensee has violated any applicable law or regulation;

29 (b) Any fact or condition exists which, if it had existed at the time
30 of the original application for such license, clearly would have
31 warranted the superintendent's refusal to issue such license; or

32 (c) The licensee has failed to pay any sum of money lawfully demanded
33 by the superintendent or to comply with any demand, ruling or require-
34 ment of the superintendent.

35 2. Any licensee may surrender any license by delivering to the super-
36 intendent written notice that the licensee thereby surrenders such
37 license. Such surrender shall be effective upon its acceptance by the
38 superintendent, and shall not affect such licensee's civil or criminal
39 liability for acts committed prior to such surrender.

40 3. Every license issued hereunder shall remain in force and effect
41 until the same shall have been surrendered, revoked or suspended, in
42 accordance with the provisions of this article, but the superintendent
43 shall have authority to reinstate suspended licenses or to issue a new
44 license to a licensee whose license has been revoked if no fact or
45 condition then exists which clearly would have warranted the superinten-
46 dent's refusal to issue such license.

47 4. Whenever the superintendent shall revoke or suspend a license
48 issued pursuant to this article, the superintendent shall forthwith
49 execute a written order to that effect, which order may be reviewed in
50 the manner provided by article seventy-eight of the civil practice law
51 and rules. Such special proceeding for review as authorized by this
52 section must be commenced within thirty days from the date of such order
53 of suspension or revocation.

54 5. The superintendent may, for good cause, without notice and a hear-
55 ing, suspend any license issued pursuant to this article for a period
56 not exceeding thirty days, pending investigation. "Good cause," as used

1 in this subdivision, shall exist only when the licensee has engaged in
2 or is likely to engage in a practice prohibited by this article or the
3 regulations promulgated thereunder or engages in dishonest or inequita-
4 ble practices which may cause substantial harm to the public.

5 § 742. Superintendent authorized to examine. 1. The superintendent
6 shall have the power to make such investigations as the superintendent
7 shall deem necessary to determine whether any buy-now-pay-later lender
8 or any other person has violated any of the provisions of this article
9 or any other applicable law, or whether any licensee has conducted
10 itself in such manner as would justify the revocation of its license,
11 and to the extent necessary therefor, the superintendent may require the
12 attendance of and examine any person under oath, and shall have the
13 power to compel the production of all relevant books, records, accounts,
14 and documents.

15 2. The superintendent shall have the power to make such examinations
16 of the books, records, accounts and documents used in the business of
17 any licensee as the superintendent shall deem necessary to determine
18 whether any such licensee has violated any of the provisions of this
19 chapter or any other applicable law or to secure information lawfully
20 required by the superintendent.

21 § 743. Licensee's books and records; reports. 1. A buy-now-pay-later
22 lender shall keep and use in its business such books, accounts and
23 records as will enable the superintendent to determine whether such
24 buy-now-pay-later lender is complying with the provisions of this arti-
25 cle and with the rules and regulations lawfully made by the superinten-
26 dent hereunder. Every buy-now-pay-later lender shall preserve such
27 books, accounts and records for at least six years after making the
28 final entry in respect to any buy-now-pay-later loan recorded therein;
29 provided, however, the preservation of photographic or digital repro-
30 ductions thereof or records in photographic or digital form shall consti-
31 tute compliance with this requirement.

32 2. By a date to be set by the superintendent, each licensee shall
33 annually file a report with the superintendent giving such information
34 as the superintendent may require concerning the licensee's business and
35 operations during the preceding calendar year within the state under the
36 authority of this article. Such report shall be subscribed and affirmed
37 as true by the licensee under the penalties of perjury and be in the
38 form prescribed by the superintendent. In addition to such annual
39 reports, the superintendent may require of licensees such additional
40 regular or special reports as the superintendent may deem necessary to
41 the proper supervision of licensees under this article. Such additional
42 reports shall be in the form prescribed by the superintendent and shall
43 be subscribed and affirmed as true under the penalties of perjury.

44 § 744. Acts prohibited. 1. No buy-now-pay-later lender shall take or
45 cause to be taken any confession of judgment or any power of attorney to
46 confess judgment or to appear for the consumer in a judicial proceeding.

47 2. No buy-now-pay-later lender shall make or cause to be made an
48 advertisement for a buy-now-pay-later loan that is false, misleading, or
49 deceptive.

50 § 745. Limitation on charges on buy-now-pay-later loans. Notwith-
51 standing any other provision of law to the contrary, no buy-now-pay-la-
52 ter lender shall charge, contract for, or otherwise receive from a
53 consumer any interest, penalty, late fee, discount or other consider-
54 ation in connection to a buy-now-pay-later loan, whether directly or
55 indirectly.

1 § 746. Consumer protections. 1. Disclosures. A buy-now-pay-later lender shall disclose or cause to be disclosed to consumers the terms of
2 buy-now-pay-later loans, including the cost, repayment schedule, and
3 other material conditions, in a clear and conspicuous manner.

4 2. Ability to repay. Subject to regulations to be promulgated by the
5 superintendent, a buy-now-pay-later lender shall, before providing or
6 causing to be provided a buy-now-pay-later loan to a consumer, make, or
7 cause to be made, a reasonable determination that such consumer has the
8 ability to repay the buy-now-pay-later loan.

9 3. Credit reporting prohibition. A buy-now-pay-later lender shall not
10 report any consumer data obtained through a buy-now-pay-later loan to
11 any credit reporting agency.

12 4. Returns, refunds and credits. A buy-now-pay-later lender shall
13 handle or cause to be handled returns of and refunds and credits for
14 goods or services purchased in connection with a buy-now-pay-later loan
15 in a manner that is fair, transparent, and not unduly burdensome to
16 consumers. A buy-now-pay-later lender shall maintain or cause to be
17 maintained policies and procedures regarding such handling of returns,
18 refunds, and credits. A buy-now-pay-later lender shall disclose or cause
19 to be disclosed to consumers in a clear and conspicuous manner the proc-
20 ess by which they can return and obtain refunds or credits for goods or
21 services they have purchased with a buy-now-pay-later loan. Consumer
22 claims for returns, refunds, and credits shall only be fulfilled by the
23 buy-now-pay-later lender upon receipt of the returned good or product
24 subject to the buy-now-pay-later loan from the seller, or the cancella-
25 tion of the service subject to the buy-now-pay-later loan from the sell-
26 er.

27 5. Consumer disputes. A buy-now-pay-later lender shall resolve or
28 cause to be resolved disputes in a manner that is fair and transparent
29 to consumers. A buy-now-pay-later lender shall create or cause to be
30 created a readily available and prominently disclosed method for consum-
31 ers to bring a dispute to the buy-now-pay-later lender. A buy-now-pay-
32 later lender shall maintain policies and procedures for handling consum-
33 er disputes.

34 6. Use of consumer data. A buy-now-pay-later lender shall clearly and
35 conspicuously disclose or cause to be disclosed to a consumer to which
36 it provides a loan how such consumer's data may be used by the buy-now-
37 pay-later lender. The buy-now-pay-later lender shall provide the consum-
38 er the opportunity to provide consent to such collection and use of
39 consumer data, provided that without such consent the buy-now-pay-later
40 lender shall not collect or use such consumer data. The superintendent,
41 in their discretion, may by regulation prohibit certain uses of consumer
42 data if such use poses an undue risk to consumers.

43 7. Unauthorized use. The superintendent may issue rules and regu-
44 lations regarding treatment of unauthorized use, so that consumers are
45 liable for use of buy-now-pay-later loans in their name only under
46 circumstances where such liability would be fair and reasonable.

47 8. Void buy-now-pay-later loans. Any buy-now-pay-later loan made by a
48 person not licensed under this article, other than an exempt organiza-
49 tion, shall be void, and such person shall have no right to collect or
50 receive any principal, interest or charge whatsoever.

51 § 747. Authority of superintendent. The superintendent is authorized
52 to promulgate such general rules and regulations as may be appropriate,
53 in their sole discretion, to implement the provisions of this article,
54 protect consumers, and ensure the solvency and financial integrity of
55 buy-now-pay-later lenders. The superintendent is further authorized to
56

1 make such specific rulings, demands, and findings as may be necessary
2 for the proper conduct of the business authorized and licensed under and
3 for the enforcement of this article, in addition hereto and not incon-
4 sistent herewith.

5 § 748. Penalties. 1. Any person, including any member, officer, direc-
6 tor or employee of a buy-now-pay-later lender, who violates or partic-
7 ipates in the violation of section seven hundred thirty-seven of this
8 article, or who knowingly makes any incorrect statement of a material
9 fact in any application, report or statement filed pursuant to this
10 article, or who knowingly omits to state any material fact necessary to
11 give the superintendent any information lawfully required by the super-
12 intendent or refuses to permit any lawful investigation or examination,
13 shall be guilty of a misdemeanor and, upon conviction, shall be fined
14 not more than five hundred dollars or imprisoned for not more than six
15 months or both, in the discretion of the court.

16 2. Without limiting any power granted to the superintendent under any
17 other provision of this chapter, the superintendent may, in a proceeding
18 after notice and a hearing require a buy-now-pay-later lender, whether
19 or not a licensee, to pay to the people of this state a penalty for any
20 violation of this chapter, any regulation promulgated thereunder, any
21 final or temporary order issued pursuant to section thirty-nine of this
22 chapter, any condition imposed in writing by the superintendent in
23 connection with the grant of any application or request, or any written
24 agreement entered into with the superintendent, and for knowingly making
25 any incorrect statement of a material fact in any application, report or
26 statement filed pursuant to this article, or knowingly omitting to state
27 any material fact necessary to give the superintendent any information
28 lawfully required by the superintendent or refusing to permit any lawful
29 investigation or examination. As to any buy-now-pay-later lender that is
30 not a licensee or an exempt organization, the superintendent is author-
31 ized to impose a penalty in the same amount authorized in section
32 forty-four of this chapter for a violation of this chapter by any person
33 licensed, certified, registered, authorized, chartered, accredited,
34 incorporated or otherwise approved by the superintendent pursuant to
35 this chapter.

36 3. No buy-now-pay-later lender shall make, directly or indirectly,
37 orally or in writing, or by any method, practice or device, a represen-
38 tation that such buy-now-pay-later lender is licensed under the banking
39 law except that a licensee under this chapter may make a representation
40 that the licensee is licensed as a buy-now-pay-later lender under this
41 chapter.

42 § 749. Severability. If any provision of this article or the applica-
43 tion thereof to any person or circumstances is held to be invalid, such
44 invalidity shall not affect other provisions or applications of this
45 article which can be given effect without the invalid provision or
46 application, and to this end the provisions of this article are severa-
47 ble.

48 § 2. Subdivision 1 of section 36 of the banking law, as amended by
49 chapter 146 of the laws of 1961, is amended to read as follows:

50 1. The superintendent shall have the power to examine every banking
51 organization, every bank holding company and any non-banking subsidiary
52 thereof (as such terms "bank holding company" and "non-banking subsid-
53 iary" are defined in article three-A of this chapter) and every licensed
54 lender and licensed buy-now-pay-later lender at any time prior to its
55 dissolution whenever in his judgment such examination is necessary or
56 advisable.

§ 3. Subdivision 10 of section 36 of the banking law, as amended by section 2 of part L of chapter 58 of the laws of 2019, is amended to read as follows:

10. All reports of examinations and investigations, correspondence and memoranda concerning or arising out of such examination and investigations, including any duly authenticated copy or copies thereof in the possession of any banking organization, bank holding company or any subsidiary thereof (as such terms "bank holding company" and "subsidiary" are defined in article three-A of this chapter), any corporation or any other entity affiliated with a banking organization within the meaning of subdivision six of this section and any non-banking subsidiary of a corporation or any other entity which is an affiliate of a banking organization within the meaning of subdivision six-a of this section, foreign banking corporation, licensed lender, licensed buy-now-pay-later lender, licensed casher of checks, licensed mortgage banker, registered mortgage broker, licensed mortgage loan originator, licensed sales finance company, registered mortgage loan servicer, licensed student loan servicer, licensed insurance premium finance agency, licensed transmitter of money, licensed budget planner, any other person or entity subject to supervision under this chapter, or the department, shall be confidential communications, shall not be subject to subpoena and shall not be made public unless, in the judgment of the superintendent, the ends of justice and the public advantage will be subserved by the publication thereof, in which event the superintendent may publish or authorize the publication of a copy of any such report or any part thereof in such manner as may be deemed proper or unless such laws specifically authorize such disclosure. For the purposes of this subdivision, "reports of examinations and investigations, and any correspondence and memoranda concerning or arising out of such examinations and investigations", includes any such materials of a bank, insurance or securities regulatory agency or any unit of the federal government or that of this state any other state or that of any foreign government which are considered confidential by such agency or unit and which are in the possession of the department or which are otherwise confidential materials that have been shared by the department with any such agency or unit and are in the possession of such agency or unit.

§ 4. Subdivisions 3 and 5 of section 37 of the banking law, as amended by chapter 360 of the laws of 1984, are amended to read as follows:

3. In addition to any reports expressly required by this chapter to be made, the superintendent may require any banking organization, licensed lender, licensed buy-now-pay-later lender, licensed casher of checks, licensed mortgage banker, foreign banking corporation licensed by the superintendent to do business in this state, bank holding company and any non-banking subsidiary thereof, corporate affiliate of a corporate banking organization within the meaning of subdivision six of section thirty-six of this article and any non-banking subsidiary of a corporation which is an affiliate of a corporate banking organization within the meaning of subdivision six-a of section thirty-six of this article to make special reports to him at such times as he may prescribe.

5. The superintendent may extend at his discretion the time within which a banking organization, foreign banking corporation licensed by the superintendent to do business in this state, bank holding company or any non-banking subsidiary thereof, licensed casher of checks, licensed mortgage banker, private banker, licensed buy-now-pay-later lender or licensed lender is required to make and file any report to the superintendent.

§ 5. Section 39 of the banking law, as amended by section 3 of part L of chapter 58 of the laws of 2019, is amended to read as follows:

§ 39. Orders of superintendent. 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, licensed student loan servicer, registered mortgage loan servicer, licensed mortgage loan originator, licensed lender, licensed buy-now-pay-later lender, licensed casher of checks, 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 student loan servicer, licensed mortgage loan originator, licensed lender, licensed buy-now-pay-later lender, licensed casher of checks, 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, licensed student loan servicer, registered mortgage loan servicer, licensed mortgage loan originator, licensed lender, licensed buy-now-pay-later lender, licensed casher of checks, 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 in this state is conducting business in an unauthorized or unsafe and unsound manner, he or she may, in his or her discretion, issue an order directing the discontinuance of such unauthorized or unsafe and unsound practices, and fixing a time and place at which such banking organization, bank holding company, registered mortgage broker, licensed mortgage banker, licensed student loan servicer, registered mortgage loan servicer, licensed mortgage loan originator, licensed lender, licensed buy-now-pay-later licensed, licensed casher of checks, 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 may voluntarily appear before him or her to present any explanation in defense of the practices directed in said order to be discontinued.

3. To make good impairment of capital or to ensure compliance with financial requirements. Whenever it shall appear to the superintendent that the capital or capital stock of any banking organization, bank holding company or any subsidiary thereof which is organized, licensed or registered pursuant to this chapter, is impaired, or the financial requirements imposed by subdivision one of section two hundred two-b of this chapter or any regulation of the superintendent on any branch or

1 agency of a foreign banking corporation or the financial requirements
2 imposed by this chapter or any regulation of the superintendent on any
3 licensed lender, licensed buy-now-pay-later lender, registered mortgage
4 broker, licensed mortgage banker, licensed student loan servicer,
5 licensed casher of checks, licensed sales finance company, licensed
6 insurance premium finance agency, licensed transmitter of money,
7 licensed budget planner or private banker are not satisfied, the super-
8 intendent may, in the superintendent's discretion, issue an order
9 directing that such banking organization, bank holding company, branch
10 or agency of a foreign banking corporation, registered mortgage broker,
11 licensed mortgage banker, licensed student loan servicer, licensed lend-
12 er, licensed buy-now-pay-later lender, licensed casher of checks,
13 licensed sales finance company, licensed insurance premium finance agen-
14 cy, licensed transmitter of money, licensed budget planner, or private
15 banker make good such deficiency forthwith or within a time specified in
16 such order.

17 4. To make good encroachments on reserves. Whenever it shall appear to
18 the superintendent that either the total reserves or reserves on hand of
19 any banking organization, branch or agency of a foreign banking corpo-
20 ration are below the amount required by or pursuant to this chapter or
21 any other applicable provision of law or regulation to be maintained, or
22 that such banking organization, branch or agency of a foreign banking
23 corporation is not keeping its reserves on hand as required by this
24 chapter or any other applicable provision of law or regulation, he or
25 she may, in his or her discretion, issue an order directing that such
26 banking organization, branch or agency of a foreign banking corporation
27 make good such reserves forthwith or within a time specified in such
28 order, or that it keep its reserves on hand as required by this chapter.

29 5. To keep books and accounts as prescribed. Whenever it shall appear
30 to the superintendent that any banking organization, bank holding compa-
31 ny, registered mortgage broker, licensed mortgage banker, licensed
32 student loan servicer, registered mortgage loan servicer, licensed mort-
33 gage loan originator, licensed lender, licensed buy-now-pay-later lend-
34 er, licensed casher of checks, licensed sales finance company, licensed
35 insurance premium finance agency, licensed transmitter of money,
36 licensed budget planner, agency or branch of a foreign banking corpo-
37 ration licensed by the superintendent to do business in this state, does
38 not keep its books and accounts in such manner as to enable him or her
39 to readily ascertain its true condition, he or she may, in his or her
40 discretion, issue an order requiring such banking organization, bank
41 holding company, registered mortgage broker, licensed mortgage banker,
42 licensed student loan servicer, registered mortgage loan servicer,
43 licensed mortgage loan originator, licensed lender, licensed buy-now-
44 pay-later lender, licensed casher of checks, licensed sales finance
45 company, licensed insurance premium finance agency, licensed transmitter
46 of money, licensed budget planner, or foreign banking corporation, or
47 the officers or agents thereof, or any of them, to open and keep such
48 books or accounts as he or she may, in his or her discretion, determine
49 and prescribe for the purpose of keeping accurate and convenient records
50 of its transactions and accounts.

51 6. As used in this section, "bank holding company" shall have the same
52 meaning as that term is defined in section one hundred forty-one of this
53 chapter.

54 § 6. Subdivision 1 of section 42 of the banking law, as amended by
55 chapter 65 of the laws of 1948, is amended to read as follows:

1 1. The name and the location of the principal office of every proposed
2 corporation, private banker, licensed lender, licensed buy-now-pay-later
3 lender and licensed casher of checks, the organization certificate,
4 private banker's certificate or application for license of which has
5 been filed for examination, and the date of such filing.

6 § 7. Subdivision 2 of section 42 of the banking law, as amended by
7 chapter 553 of the laws of 1960, is amended to read as follows:

8 2. The name and location of every licensed lender, licensed buy-now-
9 pay-later lender and licensed casher of checks, and the name, location,
10 amount of capital stock or permanent capital and amount of surplus of
11 every corporation and private banker and the minimum assets required of
12 every branch of a foreign banking corporation authorized to commence
13 business, and the date of authorization or licensing.

14 § 8. Subdivision 3 of section 42 of the banking law, as amended by
15 chapter 553 of the laws of 1960, is amended to read as follows:

16 3. The name of every proposed corporation, private banker, branch of a
17 foreign banking corporation, licensed lender, licensed buy-now-pay-later
18 lender and licensed casher of checks to which a certificate of authori-
19 zation or a license has been refused and the date of notice of refusal.

20 § 9. Subdivision 4 of section 42 of the banking law, as amended by
21 chapter 60 of the laws of 1957, is amended to read as follows:

22 4. The name and location of every private banker, licensed lender,
23 licensed casher of checks, sales finance company, licensed buy-now-pay-
24 later lender and foreign corporation the authorization certificate or
25 license of which has been revoked, and the date of such revocation.

26 § 10. Subdivision 5 of section 42 of the banking law, as amended by
27 chapter 249 of the laws of 1968, is amended to read as follows:

28 5. The name of every banking organization, licensed lender, licensed
29 casher of checks, licensed buy-now-pay-later lender and foreign corpo-
30 ration which has applied for leave to change its place or one of its
31 places of business and the places from and to which the change is
32 proposed to be made; the name of every banking organization which has
33 applied to change the designation of its principal office to a branch
34 office and to change the designation of one of its branch offices to its
35 principal office, and the location of the principal office which is
36 proposed to be redesignated as a branch office and of the branch office
37 which is proposed to be redesignated as the principal office.

38 § 11. Subdivision 6 of section 42 of the banking law, as amended by
39 chapter 249 of the laws of 1968, is amended to read as follows:

40 6. The name of every banking organization, licensed lender, licensed
41 casher of checks, licensed buy-now-pay-later lender and foreign corpo-
42 ration authorized to change its place or one of its places of business
43 and the date when and the places from and to which the change is author-
44 ized to be made; the name of every banking organization authorized to
45 change the designation of its principal office to a branch office and to
46 change the designation of a branch office to its principal office, the
47 location of the redesignated principal office and of the redesignated
48 branch office, and the date of such change.

49 § 12. Paragraph (a) of subdivision 1 of section 44 of the banking law,
50 as amended by section 4 of part L of chapter 58 of the laws of 2019, is
51 amended to read as follows:

52 (a) Without limiting any power granted to the superintendent under any
53 other provision of this chapter, the superintendent may, in a proceeding
54 after notice and a hearing, require any safe deposit company, licensed
55 lender, licensed buy-now-pay-later lender licensed casher of checks,
56 licensed sales finance company, licensed insurance premium finance agen-

1 cy, licensed transmitter of money, licensed mortgage banker, licensed
2 student loan servicer, registered mortgage broker, licensed mortgage
3 loan originator, registered mortgage loan servicer or licensed budget
4 planner to pay to the people of this state a penalty for any violation
5 of this chapter, any regulation promulgated thereunder, any final or
6 temporary order issued pursuant to section thirty-nine of this article,
7 any condition imposed in writing by the superintendent in connection
8 with the grant of any application or request, or any written agreement
9 entered into with the superintendent.

10 § 13. This act shall take effect one year after it shall have become a
11 law. Effective immediately, the addition, amendment and/or repeal of
12 any rule or regulation authorized to be made by the superintendent
13 pursuant to this act is authorized to be made and completed on or before
14 such effective date.