STATE OF NEW YORK

11264

IN ASSEMBLY

May 4, 2026

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

AN ACT to amend the banking law, in relation to requiring the availability of no-fee basic banking accounts for consumers

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. The banking law is amended by adding a new section 9-e to read as follows:

§ 9-e. No-fee basic banking accounts. 1. Every banking institution operating in the state of New York shall offer at least one no-fee basic banking account that:

(a) charges no monthly maintenance or service fees;

(b) requires no minimum balance;

(c) charges no fees based on account inactivity; and

(d) provides essential services including:

(i) deposits and withdrawals;

(ii) debit card access; and

(iii) electronic payments and transfers.

2. No banking institution operating in the state of New York shall circumvent the requirements of subdivision one of this section by:

(a) re-labeling maintenance fees under alternative names;

(b) imposing indirect fees tied to account balance thresholds; or

(c) conditioning access to an account on unrelated product requirements.

3. Each banking institution operating in the state of New York shall clearly disclose the availability and terms of such no-fee basic banking account at the time of an account opening by a consumer and on such banking institution's website.

4. The department shall be authorized to enforce the provisions of this section, to define prohibited practices under this section, and to impose civil penalties for violations.

§ 2. This act shall take effect on the one hundred eightieth day after it shall have become a law. Effective immediately, the department of financial services is authorized to promulgate any rules and regulations necessary for the implementation of this act on or before such effective date.

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

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