

# STATE OF NEW YORK

7020

2025-2026 Regular Sessions

## IN ASSEMBLY

March 18, 2025

Introduced by M. of A. SMITH, DURSO, TAGUE, MIKULIN -- read once and referred to the Committee on Banks

AN ACT to amend the banking law and the general business law, in relation to capping the interest rate on credit cards for personal use; and providing for the repeal of such provisions upon the expiration thereof

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

1 Section 1. Subdivision 1 of section 14-a of the banking law, as added  
2 by chapter 883 of the laws of 1980, is amended to read as follows:

3 1. The maximum rate of interest provided for in section 5-501 of the  
4 general obligations law shall be sixteen per centum per annum; provided,  
5 however, that a credit card for personal, family, or household purposes  
6 issued by a New York state banking institution to an individual residing  
7 in this state shall have a maximum rate of interest of ten per centum  
8 per annum, and any rate in excess of such maximum rate on any card  
9 issued either before or after the effective date of the chapter of the  
10 laws of two thousand twenty-five that amended this subdivision shall be  
11 void as against public policy. Whenever the attorney general has reason  
12 to believe that there has been a violation of this provision, the attor-  
13 ney general may apply to the supreme court in any county wherein any  
14 such violation occurred for the purpose of restraining and enjoining the  
15 continuance of such violation.

16 § 2. The general business law is amended by adding a new section 515-a  
17 to read as follows:

18 § 515-a. Use of certain credit cards prohibited. No person shall use a  
19 credit card for personal, family, or household purchases if the interest  
20 rate for such card exceeds the maximum rate for credit cards issued for  
21 personal use as set forth in subdivision one of section fourteen-a of  
22 the banking law.

23 § 3. This act shall take effect immediately and shall expire and be  
24 deemed repealed 5 years after such date.

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

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