S T A T E O F N E W Y O R K

1227

2009-2010 Regular Sessions

I N A S S E M B L Y

(PREFILED)

January 7, 2009

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

AN ACT to amend the banking law, in relation to the maximum charge that may be imposed by a banking institution for a check or other instrument drawn on insufficient or uncollected funds and to repeal subdivision 8 of section 108, section 235-c, and the closing paragraph of subdivision 13 of section 383 of such law relating thereto

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

Section 1. Subdivision 8 of section 108 of the banking law is REPEALED and a new subdivision 8 is added to read as follows:

8. THE MAXIMUM CHARGE WHICH MAY BE IMPOSED BY A BANK OR TRUST COMPANY IN CONNECTION WITH A CHECK OR OTHER WRITTEN ORDER DRAWN UPON IT ON INSUFFICIENT FUNDS OR ON UNCOLLECTED BALANCES, IRRESPECTIVE OF WHETHER THE INSTRUMENT IS PAID, ACCEPTED, OR RETURNED BY THE BANK OR TRUST COMPANY IS SEVEN DOLLARS AND FIFTY CENTS.

S 2. The opening paragraph of section 202 of the banking law is designated subdivision 1 and a new subdivision 2 is added to read as follows:

2. THE MAXIMUM CHARGE WHICH MAY BE IMPOSED BY A FOREIGN BANKING CORPORATION IN CONNECTION WITH A CHECK OR OTHER WRITTEN ORDER DRAWN UPON IT ON INSUFFICIENT FUNDS OR ON UNCOLLECTED BALANCES, IRRESPECTIVE OF WHETHER THE INSTRUMENT IS PAID, ACCEPTED, OR RETURNED BY THE FOREIGN BANKING CORPORATION IS SEVEN DOLLARS AND FIFTY CENTS.

S 3. Section 235-c of the banking law is REPEALED and a new section 235-c is added to read as follows:

S 235-C. MAXIMUM CHARGE FOR INSUFFICIENT FUNDS. THE MAXIMUM CHARGE WHICH MAY BE IMPOSED BY A SAVINGS BANK IN CONNECTION WITH A CHECK OR OTHER WRITTEN ORDER DRAWN UPON IT ON INSUFFICIENT FUNDS OR ON UNCOLLECTED BALANCES, IRRESPECTIVE OF WHETHER THE INSTRUMENT IS PAID,

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

LBD01881-01-9

ACCEPTED, OR RETURNED BY THE SAVINGS BANK IS SEVEN DOLLARS AND FIFTY CENTS.

S 4. The closing paragraph of subdivision 13 of section 383 of the banking law is REPEALED and a new subdivision 13-a is added to read as follows:

13-A. THE MAXIMUM CHARGE WHICH MAY BE IMPOSED BY A SAVINGS AND LOAN ASSOCIATION IN CONNECTION WITH A CHECK OR OTHER WRITTEN ORDER DRAWN UPON IT ON INSUFFICIENT FUNDS OR ON UNCOLLECTED BALANCES, IRRESPECTIVE OF WHETHER THE INSTRUMENT IS PAID, ACCEPTED, OR RETURNED BY THE SAVINGS AND LOAN ASSOCIATION IS SEVEN DOLLARS AND FIFTY CENTS.

S 5. This act shall take effect immediately.