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2009-2010 Regular Sessions

I N A S S E M B L Y

(PREFILED)

January 7, 2009

Introduced by M. of A. PHEFFER, GABRYSZAK -- Multi-Sponsored by -- M. of
A. MAGEE -- read once and referred to the Committee on Consumer
Affairs and Protection

AN ACT to amend the general business law, in relation to prohibiting
certain loan solicitations

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

1 Section 1. The general business law is amended by adding a new section
2 399-i to read as follows:
3 S 399-I. CERTAIN LOAN SOLICITATIONS PROHIBITED. NO PERSON, FIRM OR
4 CORPORATION SHALL GIVE, TRANSFER OR OTHERWISE DISTRIBUTE ANY UNSOLICITED
5 CHECK, MONEY ORDER, DRAFT OR OTHER NEGOTIABLE INSTRUMENT TO ANY PERSON
6 IN THIS STATE, WHICH, WHEN REDEEMED, WOULD ENTER SUCH PERSON INTO A LOAN
7 AGREEMENT. ANY SUCH LOAN AGREEMENT PROCURED BY MEANS OF AN UNSOLICITED
8 CHECK, MONEY ORDER OR OTHER NEGOTIABLE INSTRUMENT SHALL BE VOID AS
9 AGAINST PUBLIC POLICY.
10 S 2. This act shall take effect immediately and shall apply to any
11 loan entered into on and after such date.

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

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