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

2919

2009-2010 Regular Sessions

I N A S S E M B L Y

January 21, 2009

Introduced by M. of A. V. LOPEZ, CLARK -- Multi-Sponsored by -- M. of A. ABBATE, BRENNAN, JACOBS, MAYERSOHN, SEMINERIO -- read once and referred to the Committee on Banks

AN ACT to amend the banking law, in relation to requiring banking institutions to offer free checking accounts, demand deposit accounts and negotiable order of withdrawal accounts for not-for-profit corporations

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 14-i to read as follows:

S 14-I. NOT-FOR-PROFIT CORPORATION; CHECKING ACCOUNTS, DEMAND DEPOSIT ACCOUNTS AND NEGOTIABLE ORDER OF WITHDRAWAL ACCOUNTS. THE BANKING BOARD SHALL PROMULGATE RULES AND REGULATIONS WHICH REQUIRE ANY BANKING INSTITUTION OFFERING EITHER A CHECKING ACCOUNT, DEMAND DEPOSIT ACCOUNT OR A NEGOTIABLE ORDER OF WITHDRAWAL ACCOUNT TO ALLOW A TYPE A OR TYPE B NOT-FOR-PROFIT CORPORATION TO MAINTAIN SUCH AN ACCOUNT FREE OF ANY CHARGE. FOR THE PURPOSES OF THIS SECTION, THE TERM "BANKING INSTITUTION" SHALL MEAN AND INCLUDE ALL BANKS, TRUST COMPANIES, SAVINGS BANKS, SAVINGS AND LOAN ASSOCIATIONS, CREDIT UNIONS AND FOREIGN BANKING CORPORATIONS WHETHER INCORPORATED, CHARTERED, ORGANIZED OR LICENSED UNDER THE LAWS OF THIS STATE OR ANY OTHER STATE OR THE UNITED STATES.

S 2. This act shall take effect on the one hundred eightieth day after it shall have become a law. Effective immediately the banking board shall promulgate such rules and regulations as are necessary so that the provisions of this act may be fully implemented on such date.

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

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