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

6409

2009-2010 Regular Sessions

I N  A S S E M B L Y

March 3, 2009

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

AN ACT to amend the banking law, in relation to a financial consumer bill of rights

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-v to read as follows:

S 9-V. FINANCIAL CONSUMER BILL OF RIGHTS. 1. THE LEGISLATURE FINDS AND DECLARES THAT CERTAIN CONSUMERS RESIDING IN THIS STATE MAY NOT BE AWARE OF THEIR RIGHTS AS FINANCIAL CONSUMERS. IT IS THE POLICY OF THIS STATE, CONSISTENT WITH SAFE AND SOUND BANKING PRACTICES, THAT BANKING INSTITUTIONS DISCLOSE INFORMATION REGARDING WHERE CONSUMERS CAN FILE COMPLAINTS IF A CONSUMER IS NOT SATISFIED WITH THE SERVICES A BANKING INSTITUTION PROVIDES.

2. EVERY BANKING INSTITUTION SHALL POST IN A PUBLIC AREA OF ITS OFFICE THE NEW YORK STATE BANKING DEPARTMENT'S TOLL FREE CONSUMER'S HOTLINE NUMBER ALONG WITH ITS PURPOSE. EVERY BANKING INSTITUTION SHALL ALSO POST IN A PUBLIC AREA OF ITS OFFICE THE RIGHTS AN ACCOUNT HOLDER HAS AS DETERMINED BY THE SUPERINTENDENT PURSUANT TO SUBDIVISION THREE OF THIS SECTION.

3. THE SUPERINTENDENT SHALL DETERMINE AND PROMULGATE THE CONTENTS OF A NOTICE SETTING FORTH THE RIGHTS OF FINANCIAL CONSUMERS FOR PURPOSES OF THIS SECTION.

4. AS USED IN THIS SECTION:

(A) "FINANCIAL CONSUMER" MEANS ANY PERSON WHO HOLDS AN ACCOUNT IN A BANKING INSTITUTION PRIMARILY FOR PERSONAL, FAMILY, OR HOUSEHOLD PURPOSES.

(B) "BANKING INSTITUTION" MEANS ANY BANK, TRUST COMPANY, SAVINGS BANK, SAVINGS AND LOAN ASSOCIATION, OR CREDIT UNION OR BRANCH OF A FOREIGN BANKING CORPORATION.

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

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S 2. This act shall take effect on the one hundred twentieth day after it shall have become a law provided that any rules and regulations necessary for the timely implementation of this act on its effective date shall be promulgated on or before such date.