

4605

2009-2010 Regular Sessions

I N S E N A T E

April 24, 2009

Introduced by Sens. ONORATO, DILAN, HASSELL-THOMPSON, C. JOHNSON, KLEIN, KRUEGER, PARKER, PERKINS, SCHNEIDERMAN, STAVISKY, THOMPSON -- read twice and ordered printed, and when printed to be committed to the Committee on Judiciary

AN ACT to amend the general obligations law, in relation to requiring interest to be paid on security deposits for the lease or rental of commercial property

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

1 Section 1. Subdivision 2-a of section 7-103 of the general obli-
2 gations law, as amended by chapter 402 of the laws of 1979, is amended
3 to read as follows:
4 2-a. Whenever the money so deposited or advanced is for the rental of
5 property (A) containing six or more family dwelling units OR (B) USED
6 FOR ANY COMMERCIAL PURPOSE, the person receiving such money shall,
7 subject to the provisions of this section, deposit it in an interest
8 bearing account in a banking organization within the state which account
9 shall earn interest at a rate which shall be the prevailing rate earned
10 by other such deposits made with banking organizations in such area.
11 S 2. This act shall take effect on the first of October next succeed-
12 ing the date on which it shall have become a law.

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

LBD03643-01-9