

6685

2009-2010 Regular Sessions

I N A S S E M B L Y

March 11, 2009

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

AN ACT to amend the banking law, in relation to the order in which a
payor bank shall pay checks

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

1 Section 1. The banking law is amended by adding a new section 9-v to
2 read as follows:
3 S 9-V. BANKING INSTITUTIONS TO PAY CHECKS DRAWN THEREIN IN ORDER OF
4 PRESENTATION. NOTWITHSTANDING ANY OTHER LAW, RULE OR REGULATION TO THE
5 CONTRARY, EVERY BANKING INSTITUTION WHICH PROVIDES CHECKING ACCOUNTS FOR
6 ITS CUSTOMERS SHALL, IN PAYING SUCH CHECKS AS ARE PRESENTED FOR PAYMENT,
7 PAY THE CHECKS IN THE ORDER WHEREIN THEY ARE RECEIVED; PROVIDED, HOWEV-
8 ER, IF A CHECK IS DISHONORED FOR INSUFFICIENT FUNDS AND THEREAFTER SMAL-
9 LER CHECKS WHICH COULD BE PAID ARE RECEIVED, THE SMALLER CHECKS SHALL BE
10 HONORED WITHIN AMOUNTS ON DEPOSIT IN THE SUBJECT ACCOUNT.
11 S 2. This act shall take effect on the first of January 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.

LBD09693-01-9