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

1215

2011-2012 Regular Sessions

I N  S E N A T E

January 6, 2011

Introduced by Sen. STAVISKY -- read twice and ordered printed, and when printed to be committed to the Committee on Consumer Protection

AN ACT to amend the general business law, in relation to creating a forty-eight hour grace period from the due date of a credit card bill

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

Section 1. The general business law is amended by adding a new section 515-a to read as follows:

S 515-A. GRACE PERIOD FOR FEES AND CHARGES. 1. ISSUERS OF CREDIT CARDS SHALL NOT IMPOSE OR MODIFY ANY CHARGES RELATED TO THE ANNUAL PERCENTAGE RATE, FEES FOR ISSUANCE OF AVAILABILITY, MINIMUM FINANCE CHARGES, TRANSACTION CHARGES, CASH ADVANCE FEES, RENEWAL FEES, OVER-THE-LIMIT FEES, OR ANY OTHER FEE OR RATE RELATED TO USE OF A CREDIT CARD FOR A PERIOD OF FORTY-EIGHT HOURS FROM THE DUE DATE OF A CREDIT CARD BILL FOR ALL NEW OR RENEWED CREDIT CARD ACCOUNTS CREATED ON OR AFTER THE EFFECTIVE DATE OF THIS SECTION.

2. (A) EVERY VIOLATION OF THIS SECTION SHALL BE DEEMED A DECEPTIVE ACT AND PRACTICE SUBJECT TO ENFORCEMENT UNDER ARTICLE TWENTY-TWO-A OF THIS CHAPTER. IN EVERY CASE WHERE THE COURT SHALL DETERMINE THAT A VIOLATION OF THIS SECTION HAS OCCURRED, IT MAY IMPOSE A CIVIL PENALTY OF NOT MORE THAN ONE THOUSAND DOLLARS FOR SUCH VIOLATION, AND MAY IMPOSE A CIVIL PENALTY OF NOT MORE THAN TWO THOUSAND DOLLARS FOR EACH SUBSEQUENT VIOLATION.

(B) NOTHING IN THIS SECTION SHALL BE CONSTRUED TO RESTRICT ANY RIGHT WHICH ANY PERSON MAY HAVE UNDER ANY OTHER STATUTE OR THE COMMON LAW.

S 2. This act shall take effect on the first of January next succeeding 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.

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