

1101

2013-2014 Regular Sessions

I N   S E N A T E

(PREFILED)

January 9, 2013

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Introduced by Sen. MAZIARZ -- 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 notice of delinquency requirements

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

1     Section 1. Section 600 of the general business law is amended by  
2     adding a new subdivision 4 to read as follows:  
3     4. "CO-SIGNER" MEANS A NATURAL PERSON WHO (I) IN THE CASE OF A CONSUM-  
4     ER CREDIT TRANSACTION BECOMES OBLIGATED ON THE TRANSACTION AS A CO-SIG-  
5     NER, CO-MAKER, GUARANTOR, ENDORSER OR SURETY, BUT WHO DOES NOT RECEIVE  
6     THE PROPERTY, SERVICES, OR MONEY THAT IS THE SUBJECT OF THE TRANSACTION.  
7     THE TERM DOES NOT INCLUDE A SELLER, HOLDER OR LENDER WHO BECOMES OBLI-  
8     GATED TO AN ASSIGNEE OF SUCH PARTY'S RIGHTS; OR (II) IN THE CASE OF A  
9     CONSUMER CREDIT ACCOUNT BECOMES OBLIGATED UNDER THE AGREEMENT AS A  
10    CO-SIGNER, CO-MAKER, GUARANTOR, ENDORSER OR SURETY WITH RESPECT EITHER  
11    TO ALL PURCHASES AND LOANS, OR A SPECIFIED MAXIMUM DOLLAR AMOUNT OF  
12    PURCHASES AND LOANS THAT WILL BE OBTAINED FROM TIME TO TIME PURSUANT TO  
13    THE AGREEMENT WHETHER OR NOT IT IS CONTEMPLATED THAT THE CO-SIGNER MAY  
14    RECEIVE ANY OF THE PROPERTY, SERVICES OR MONEY TO BE OBTAINED. THE TERM  
15    DOES NOT INCLUDE A SELLER, HOLDER OR LENDER WHO BECOMES OBLIGATED TO AN  
16    ASSIGNEE OF SUCH PARTY'S RIGHTS OR A JOINT APPLICANT FOR CREDIT WHO IS  
17    INTENDED TO BE PRIMARILY LIABLE UNDER THE AGREEMENT.  
18    S 2. The general business law is amended by adding a new section 601-a  
19    to read as follows:  
20    S 601-A. NOTICE OF DELINQUENCY. EVERY PRINCIPAL CREDITOR OR HIS OR HER  
21    AGENT SHALL SEND A NOTICE TO THE LAST KNOWN ADDRESS OF THE DEBTOR ADVIS-  
22    ING THE DEBTOR OF A DELINQUENCY ON HIS OR HER ACCOUNT. A COPY OF SUCH  
23    NOTICE SHALL ALSO BE SENT TO THE CO-SIGNER OF SUCH ACCOUNT.  
24    S 3. This act shall take effect on the first of January next succeed-  
25    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.

LBD01995-01-3