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

2911

2013-2014 Regular Sessions

I N S E N A T E

January 25, 2013

Introduced by Sen. PARKER -- read twice and ordered printed, and when printed to be committed to the Committee on Banks

AN ACT to amend the banking law, in relation to certain withdrawals from accounts to which direct deposits have been authorized

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 8-a to read as follows:

S 8-A. DIRECT DEPOSIT AGREEMENTS WITH EMPLOYERS. NO DIRECT DEPOSIT AGREEMENT WITH AN EMPLOYER SHALL AUTHORIZE ANY WITHDRAWALS FROM THE ACCOUNT INTO WHICH SUCH DIRECT DEPOSITS ARE TO BE MADE BY ANYONE OTHER THAN THE ACCOUNT OWNER, UNLESS AT LEAST FIFTEEN DAYS' WRITTEN NOTICE IS GIVEN BY THE DEPOSITORY BANKING ORGANIZATION TO SUCH OWNER. SUCH NOTICE SHALL BE SENT BY REGULAR MAIL TO THE ACCOUNT OWNER'S LAST KNOWN ADDRESS ON RECORD. THIS SECTION SHALL NOT BE CONSTRUED TO SUPERSEDE ANY SUCH WITHDRAWAL OTHERWISE AUTHORIZED BY LAW OR ORDER OF A COURT OF COMPETENT JURISDICTION.

S 2. This act shall take effect immediately.

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

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