

794--A

2015-2016 Regular Sessions

I N   S E N A T E

(PREFILED)

January 7, 2015

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Introduced by Sen. BRESLIN -- read twice and ordered printed, and when printed to be committed to the Committee on Banks -- recommitted to the Committee on Banks in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

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 ASSEMBLY, DO ENACT AS FOLLOWS:

1     Section 1. The banking law is amended by adding a new section 9-x to  
2     read as follows:  
3     S 9-X. 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, HOWEVE-  
8     ER, IF A CHECK IS DISHONORED FOR INSUFFICIENT FUNDS AND THEREAFTER SMALLER  
9     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 succeeding  
12    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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