STATE OF NEW YORK

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2797--A

2017-2018 Regular Sessions

IN SENATE

January 17, 2017
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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 Assem-
bly, 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   *§ 9-x. Banking institutions to pay checks drawn therein in order of*
 4 *presentation. 1. Notwithstanding any law, rule or regulation to the*
 5 *contrary, every banking institution that provides consumer checking*
 6 *accounts   shall either pay checks in the order wherein they are received*
 7 *or pay checks from smallest to largest dollar amount for each business*
 8 *day's transactions.*
 9   *2. If a check is dishonored for insufficient funds and thereafter*
10 *smaller checks which could be paid are received, the smaller checks*
11 *shall be honored within amounts on deposit in the subject account.*
12   *3. The banking institution shall disclose to consumers in writing the*
13 *order in which checks are drawn. The written disclosure shall be*
14 *provided   to the consumer at the time the account is opened and prior to*
15 *any change in such policy. The superintendent shall promulgate rules and*
16 *regulations necessary for the implementation of this section.*
17   *4. As used in this section, "consumer checking accounts" means*
18 *accounts established by natural persons primarily for personal, family*
19 *or household purposes.*
20   § 2. This act shall take effect on the first of January next succeed-
21 ing the date on which it shall have become a law.