

STATE OF NEW YORK

5920--A

2017-2018 Regular Sessions

IN SENATE

May 5, 2017

Introduced by Sens. SAVINO, GRIFFO -- read twice and ordered printed, and when printed to be committed to the Committee on Banks -- reported favorably from said committee and committed to the Committee on Rules -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the banking law, in relation to enacting the "community financial services access and modernization act of 2017"; and providing for the repeal of certain provisions upon expiration thereof

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Short title. This act shall be known as and may be cited as the "community financial services access and modernization act of 2017".

§ 2. Paragraph (b) of subdivision 5 of section 18-a of the banking law, as amended by chapter 155 of the laws of 2012, is amended to read as follows:

(b) two thousand dollars when the application relates to the licensing of an additional location or change of location or the licensing of a ~~mobile unit~~ limited station of a licensed casher of checks; or

§ 3. Section 366 of the banking law, as amended by chapter 49 of the laws of 1961, subdivision 1 as amended by chapter 849 of the laws of 1964 and as further amended by section 104 of part A of chapter 62 of the laws of 2011, and subdivisions 2 and 3 as renumbered by chapter 132 of the laws of 1969, is amended to read as follows:

§ 366. Definitions. When used in this article. 1. The term "licensed casher of checks" means any ~~individual, partnership, unincorporated association or corporation~~ person duly licensed by the superintendent of financial services to engage in business pursuant to the provisions of this article.

2. The term "licensee" means a licensed casher of checks, drafts and/or money orders.

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

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3. The term [~~"mobile unit"~~] "limited station" means any vehicle or other movable means from which the business of [~~cashing checks, drafts or money orders~~] providing financial services regulated by this article is to be conducted.

4. The term "person" means any individual or other legal entity, including any corporation, partnership, association or limited liability company.

5. The term "financial services" means offering or providing any of the following financial products or services: (a) the cashing of checks, drafts and/or money orders,

(b) money transmission services as defined in article thirteen-B of this chapter, provided, however, a licensed financial services provider offering money transmission pursuant to article thirteen-B of this chapter, other than as an agent of a licensee, shall first obtain a license under that article,

(c) bill payment services,

(d) the sale of prepaid debit cards, and

(e) the dispensing of mass transit fare cards, or such other medium or mechanism for the dispensing of mass transit fares.

6. The term "master license" shall mean an original license issued by the superintendent that authorizes a person to engage in the business of cashing of checks and related financial services, and in the case of a licensee who has multiple licensed business locations at the time of the effective date of this subdivision, the initial longest site continuously licensed under this article.

7. The term "supplemental license" shall mean a license issued by the superintendent that authorizes a person having a master license to engage in the business of cashing of checks and related financial services at branch locations, and in the case of a licensee who has multiple licensed business locations at the time of the effective date of this subdivision, any license issued to an existing licensee after the license for the original site.

§ 4. Section 367 of the banking law, as amended by chapter 151 of the laws of 1945, subdivision 3 as amended by section 7 of part D-1 of chapter 109 of the laws of 2006, and subdivision 4 as amended by chapter 96 of the laws of 1981, is amended to read as follows:

§ 367. License requirements; fees; capital requirements. 1. No person[, ~~partnership, association or corporation~~] shall engage in the business of cashing checks, drafts or money orders for a consideration without first obtaining a license from the superintendent.

2. Application for such license shall be in writing, under oath, and in the form prescribed by the superintendent, and shall contain the name, and the address both of the residence and place of business, of the applicant, and if the applicant is a co-partnership [~~or~~], association or limited liability company, of every member thereof, and if a corporation, of each officer and director thereof; also, if the business is to be conducted at a specific address, the address at which the business is to be conducted, and if the business is to be conducted from a [~~mobile unit~~] limited station, the New York state registration number or other identification of such [~~mobile unit~~] limited station and the area in which the applicant proposes to operate such [~~mobile unit~~] limited station; and also such further information as the superintendent may require.

3. Such applicant at the time of making such application shall pay to the superintendent a fee as prescribed pursuant to section eighteen-a of this chapter for investigating the application. An application for a

1 master license shall be in writing, under oath, and in the form
2 prescribed by the superintendent and shall contain such information as
3 the superintendent may require by regulation. The application shall set
4 forth all of the locations at which the applicant seeks to conduct busi-
5 ness hereunder. At the time of making the application for a master
6 license, an existing licensee under this article shall pay to the super-
7 intendent the sum of two hundred fifty dollars for each proposed
8 location as a fee for investigating the application. An applicant that
9 does not currently hold a license under this article at the time of
10 application shall pay to the superintendent an application fee as
11 provided in this chapter for initial applications. Any licensee request-
12 ing a change of address, shall at the time of making such request, pay
13 to the superintendent a fee as prescribed pursuant to section eighteen-a
14 of this chapter for investigating the new address; provided, however,
15 that the superintendent may, in his or her discretion, waive such inves-
16 tigation fee if warranted, and provided further, that no fee shall be
17 payable for the relocation of a limited station.

18 4. Every applicant shall prove, in form satisfactory to the super-
19 intendent that he or it has available for the operation of such busi-
20 ness, for each location and for each [~~mobile unit~~] limited station spec-
21 ified in the application, liquid assets of at least ten thousand
22 dollars, and every licensee shall continuously maintain for the opera-
23 tion of such business for each location and for each [~~mobile unit~~]
24 limited station liquid assets of at least ten thousand dollars. Notwith-
25 standing the foregoing provisions of this subdivision, the superinten-
26 dent, upon application by an applicant and for good cause shown, may
27 permit a reduction from ten thousand dollars to not less than five thou-
28 sand dollars of minimum liquid assets required for each location.

29 § 5. Section 369 of the banking law, as amended by chapter 151 of the
30 laws of 1945, subdivision 1 as amended by chapter 233 of the laws of
31 2005, subdivisions 4 and 5 as amended by chapter 132 of the laws of
32 1969, subdivision 6 as amended by chapter 164 of the laws of 2003, para-
33 graph (b) of subdivision 6 as amended by section 6 of part LL of chapter
34 56 of the laws of 2010, and subdivision 7 as added by chapter 485 of the
35 laws of 1947, is amended to read as follows:

36 § 369. Conditions precedent to issuing license; issuance and filing of
37 license; posting license. 1. If the superintendent shall find that the
38 financial responsibility, experience, character, and general fitness of
39 the applicant, and of the members thereof if the applicant be a co-part-
40 nership [~~or~~], association or limited liability company, and of the offi-
41 cers and directors thereof if the applicant be a corporation, are such
42 as to command the confidence of the community and to warrant belief that
43 the business will be operated honestly, fairly, and efficiently within
44 the purposes of this article, and if the superintendent shall find that
45 the granting of such application will promote the convenience and advan-
46 tage of the area in which such business is to be conducted, and if the
47 superintendent shall find that the applicant has available for the oper-
48 ation of such business for each location and for each [~~mobile unit~~]
49 limited station specified in the application liquid assets of at least
50 ten thousand dollars, the superintendent shall thereupon execute a
51 master license and if applicable one or more supplemental licenses in
52 duplicate to permit the [~~cashing of checks, drafts and money orders~~]
53 delivery of financial services in accordance with the provisions of this
54 article at the location or locations or in the area or areas specified
55 in such application. In finding whether the application will promote the
56 convenience and advantage to the public, the superintendent shall deter-

1 mine whether there is a community need for a new licensee in the
2 proposed area or areas to be served. No license shall be issued to an
3 applicant for a license, at a location to be licensed which is closer
4 than one thousand five hundred eighty-four feet (three-tenths of a mile)
5 from an existing licensee, except with the written consent of such
6 existing licensee or pursuant to subdivision three of section three
7 hundred seventy of this article, subject to any restriction or condition
8 as the superintendent may promulgate by regulation; provided, however,
9 the superintendent may permit a location to be licensed that is closer
10 than three-tenths of a mile from an existing licensee provided such
11 applicant engages in the cashing of checks, drafts or money orders only
12 for payees of such checks, drafts or money orders that are other than
13 natural persons at the location to be licensed and such applicant was
14 engaged in the cashing of such checks, drafts or money orders for payees
15 that are other than natural persons at such location on or before the
16 fourteenth day of July, two thousand four, and provided further that
17 upon licensing any such location by the superintendent, such license as
18 it pertains solely to such location shall not be affected thereafter by
19 any change of control of such license pursuant to section three hundred
20 seventy-a of this article, provided that the licensee continues there-
21 after to engage at that location in the cashing of checks, drafts or
22 money orders only for payees that are other than natural persons and
23 provided further that such license shall bear a legend stating that such
24 location is restricted to the cashing of checks, drafts or money orders
25 only for payees that are other than natural persons. The three-tenths of
26 a mile distance requirement as set forth in this section shall not apply
27 in cases where the existing licensee is a restricted location as author-
28 ized in the preceding sentence, or is any other licensed location that
29 engages solely in the cashing of checks, drafts or money orders only for
30 payees that are other than natural persons. For purposes of this
31 section, such distance shall be measured on a straight line along the
32 street between the nearest point of the store fronts of the check cash-
33 ing facilities. The primary business of the licensee, at the location to
34 be licensed, shall be financial services. The superintendent shall tran-
35 smit one copy of such license to the applicant and file another in the
36 office of the department. Notwithstanding the foregoing provisions of
37 this subdivision, the superintendent, upon application by an applicant
38 and for good cause shown, may permit a reduction from ten thousand
39 dollars to not less than five thousand dollars of minimum liquid assets
40 required for each location.

41 2. Such license shall state the name of the licensee; and if the
42 licensee is a co-partnership [~~or~~], association or limited liability
43 company, the names of the members thereof; and if the licensee is a
44 corporation, the date of its incorporation; and if the business is to be
45 conducted at a specific address, the address at which such business is
46 to be conducted; and if the business is to be conducted through the use
47 of a [~~mobile-unit~~] limited station, the New York state registration
48 number or other identification of such [~~mobile-unit~~] limited station and
49 the area in which such [~~mobile-unit~~] limited station is authorized to do
50 business.

51 3. [~~Such license~~] All licenses issued by the superintendent shall be
52 kept conspicuously posted in the place of business of the licensee or,
53 in the case of a [~~mobile-unit~~] limited station, upon such [~~mobile-unit~~]
54 limited station. Such license shall not be transferable or assignable.

55 4. Such license shall remain in full force and effect until it is
56 surrendered by the licensee or revoked or suspended as provided in this

1 article. In the case of a change of control of a location or a business
2 licensed hereunder, the licensee approved to acquire the business or
3 location may utilize a true copy of the existing license pending the
4 issuance of a new license by the superintendent.

5 5. If the superintendent shall find that the applicant fails to meet
6 any of the conditions set forth in subdivision one of this section, he
7 or she shall not issue such license, and he or she shall notify the
8 applicant of the denial. If an application is denied or withdrawn, the
9 superintendent shall retain the investigation fee to cover the costs of
10 investigating the application and return the license fee to the appli-
11 cant.

12 6. The superintendent may refuse to issue a license pursuant to this
13 article if he or she shall find that the applicant, or any person who is
14 a director, officer, partner, agent, employee or substantial stockholder
15 of the applicant, (a) has been convicted of a crime in any jurisdiction
16 or (b) is associating or consorting with any person who has, or persons
17 who have, been convicted of a crime or crimes in any jurisdiction or
18 jurisdictions; provided, however, that the superintendent shall not
19 issue such a license if he or she shall find that the applicant, or any
20 person who is a director, officer, partner, agent, employee or substan-
21 tial stockholder of the applicant, has been convicted of a felony in any
22 jurisdiction or of a crime which, if committed within this state, would
23 constitute a felony under the laws thereof. For the purposes of this
24 article, a person shall be deemed to have been convicted of a crime if
25 such person shall have pleaded guilty to a charge thereof before a court
26 or magistrate, or shall have been found guilty thereof by the decision
27 or judgment of a court or magistrate or by the verdict of a jury, irre-
28 spective of the pronouncement of sentence or the suspension thereof,
29 unless such plea of guilty, or such decision, judgment or verdict, shall
30 have been set aside, reversed or otherwise abrogated by lawful judicial
31 process or unless the person convicted of the crime shall have received
32 a pardon therefor from the president of the United States or the gover-
33 nor or other pardoning authority in the jurisdiction where the
34 conviction was had, or shall have received a certificate of relief from
35 disabilities or a certificate of good conduct pursuant to article twen-
36 ty-three of the correction law to remove the disability under this arti-
37 cle because of such conviction. The term "substantial stockholder," as
38 used in this subdivision, shall be deemed to refer to a person owning or
39 controlling ten per centum or more of the total outstanding stock of the
40 corporation in which such person is a stockholder. In making a determi-
41 nation pursuant to this subdivision, the superintendent shall require
42 fingerprinting of the applicant. Such fingerprints shall be submitted to
43 the division of criminal justice services for a state criminal history
44 record check, as defined in subdivision one of section three thousand
45 thirty-five of the education law, and may be submitted to the federal
46 bureau of investigation for a national criminal history record check.

47 7. No license pursuant to this article shall be issued to any appli-
48 cant to do business at the place specified in the application as the
49 place where the business is to be conducted if, within the twelve months
50 preceding such application, a license to engage in business pursuant to
51 this article at such place shall have been revoked.

52 § 6. Section 370 of the banking law, as amended by chapter 151 of the
53 laws of 1945, subdivision 2 as amended by section 38 of part O of chap-
54 ter 59 of the laws of 2006 and subdivision 3 as amended by chapter 703
55 of the laws of 2006, is amended to read as follows:

1 § 370. Restrictions as to place or area of doing business; establish-
2 ment of stations; change of location. 1. No more than one place of busi-
3 ness or one ~~[mobile-unit]~~ limited station shall be maintained under the
4 same license; provided, however, that more than one license may be
5 issued to the same licensee ~~[upon compliance with the provisions of this~~
6 ~~article for each new license]~~ and if the superintendent determines that
7 an existing licensee is in good standing and in compliance with the
8 provisions of this article, a subsequent application for a second or
9 multiple supplemental licenses at different, separate and additional
10 locations shall be expedited by the superintendent provided the minimum
11 liquidity requirements and community need criteria set forth in section
12 three hundred sixty-nine of this article have been demonstrated in the
13 application for the additional location or locations.

14 2. Any licensed casher of checks may open and maintain, within this
15 state, one or more limited stations for the purpose of cashing checks,
16 drafts or money orders for the particular group or groups specified in
17 the license authorizing each such station. Such stations shall be
18 licensed pursuant to and be subject to all the provisions of this chap-
19 ter applicable to licensed cashers of checks, except that (a) ~~[such~~
20 ~~station shall not be subject to the distance limitation set forth in~~
21 ~~subdivision one of section three hundred sixty-nine of this article,~~
22 ~~(b)]~~ the fee for investigating the application for a station shall be as
23 prescribed pursuant to section eighteen-a of this chapter, and ~~[(a)]~~ (b)
24 where such a station is at the premises of a specified employer for the
25 purpose of cashing checks, drafts and money orders for the employees of
26 such employer, the fees and charges for cashing such checks, drafts or
27 money orders shall not be subject to the limitations of subdivision one
28 of section three hundred seventy-two of this article if such fees and
29 charges are paid by such employer.

30 3. A licensee may make a written application to the superintendent for
31 leave to change his or her place of business, or in the case of a
32 ~~[mobile-unit]~~ limited station, the area in which such unit is authorized
33 to be operated, stating the reasons for such proposed change and in the
34 case where the applicant currently holds a master license to operate a
35 business established under this article, the superintendent shall
36 streamline and reduce the information required from such applicant. Such
37 application may be approved for relocation from a site within three-
38 tenths of a mile of another licensee to another site within three-tenths
39 of a mile of such other licensee provided that such new site is farther
40 from such existing licensee than the site from which permission to relo-
41 cate is sought. Only in situations in which a licensee seeks to change
42 its place of business due to extraordinary circumstances, as may be
43 determined by the superintendent pursuant to regulations, may the super-
44 intendent, in his or her discretion, determine that an application may
45 be approved for relocation from a site within three-tenths of a mile of
46 another licensee to a new site which is closer to such existing licensee
47 than the site from which permission to relocate is sought. Notwithstand-
48 ing any other provision of this subdivision, a licensee may relocate
49 from any location to a location that is within three-tenths of a mile
50 from another licensee with the written consent of the other licensee. If
51 the superintendent approves such application he or she shall issue a new
52 license in duplicate in accordance with the provisions of section three
53 hundred sixty-nine of this article, stating the new location of such
54 licensee or, in the case of a ~~[mobile-unit]~~ limited station, the new
55 area in which such ~~[mobile-unit]~~ limited station may be operated.

§ 7. Section 370-a of the banking law, as added by chapter 142 of the laws of 1992, subdivision 1 as amended by section 39 of part O of chapter 59 of the laws of 2006, is amended to read as follows:

§ 370-a. Changes in control. 1. It shall be unlawful except with the prior approval of the superintendent for any action to be taken which results in a change of control of the business of a licensee. Prior to any change of control, the person desirous of acquiring control of the business of a licensee, if such person is not already a licensee under this article, shall make written application to the superintendent and pay an investigation fee as prescribed pursuant to section eighteen-a of this chapter to the superintendent. The application shall contain such information as the superintendent, by rule or regulation, may prescribe as necessary or appropriate, and in the case where the acquiring person currently holds a master license to operate a business established under this article, and in the case of a limited station license, the superintendent shall streamline and reduce the information required from such applicant, for the purpose of making the determination required by subdivision two of this section.

2. The superintendent shall approve or disapprove the proposed change of control of a licensee in accordance with the provisions of subdivisions one and six of section three hundred sixty-nine of this article. The superintendent shall approve or disapprove the application in writing within ninety days after the date the application is filed with the superintendent.

3. For a period of six months from the date of qualification thereof and for such additional period of time as the superintendent may prescribe, in writing, the provisions of subdivisions one and two of this section shall not apply to a transfer of control by operation of law to the legal representative, as hereinafter defined, of one who has control of a licensee. Thereafter, such legal representative shall comply with the provisions of subdivisions one and two of this section. The provisions of subdivisions one and two of this section shall be applicable to an application made under such section by a legal representative.

The term "legal representative", for the purposes of this section, shall mean one duly appointed by a court of competent jurisdiction to act as executor, administrator, trustee, committee, conservator or receiver, including one who succeeds a legal representative and one acting in an ancillary capacity thereto in accordance with the provisions of such court appointment.

4. As used in this section: (a) the term "person" includes an individual, partnership, corporation, association, limited liability company, or any other organization, and (b) the term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a licensee, whether through the ownership of voting stock of such licensee, the ownership of voting stock of any person which possesses such power or otherwise. Control shall be presumed to exist if any person, directly or indirectly, owns, controls or holds with power to vote ten per centum or more of the voting stock of any licensee or of any person which owns, controls or holds with power to vote ten per centum or more of the voting stock of any licensee, but no person shall be deemed to control a licensee solely by reason of being an officer or director of such licensee or person. The superintendent may in his or her discretion, upon the application of a licensee or any person who, directly or indirectly, owns, controls or holds with power to vote or seeks to own, control or hold with power to

1 vote any voting stock of such licensee, determine whether or not the
2 ownership, control or holding of such voting stock constitutes or would
3 constitute control of such licensee for purposes of this section.

4 § 8. Section 371 of the banking law, as added by chapter 151 of the
5 laws of 1945, is amended to read as follows:

6 § 371. Regulations. The superintendent is hereby authorized and
7 empowered to make such rules and regulations, and such specific rulings,
8 demands, and findings as he or she may deem necessary for the proper
9 conduct of the business authorized and licensed under and for the
10 enforcement of this article, in addition hereto and not inconsistent
11 herewith.

12 § 9. Section 372 of the banking law, as amended by chapter 151 of the
13 laws of 1945, the section heading and subdivision 1 as amended and
14 subdivision 7 as added by chapter 432 of the laws of 2004, subdivisions
15 2, 3 and 4 as added and subdivisions 5 and 6 as renumbered by chapter
16 263 of the laws of 1983, and subdivision 6 as added by chapter 485 of
17 the laws of 1947, is amended to read as follows:

18 § 372. Fees and charges; posting schedule; records and reports. 1. The
19 superintendent shall, by regulation, establish the maximum fees which
20 may be charged by licensees for cashing a check, draft, or money order.
21 No licensee shall charge or collect any sum for cashing a check, draft,
22 or money order in excess of that established by the superintendent's
23 regulations; provided, however, that no maximum fee shall apply to the
24 charging of fees by licensees for the cashing of checks, drafts or money
25 orders for payees of such checks, drafts or money orders that are other
26 than natural persons. The licensee shall pay to every customer tendering
27 any check, draft or money order to be cashed, the entire face amount of
28 such instrument, less any charges permitted by the superintendent, in
29 such form and by such means as agreed upon by the customer on the same
30 date upon which such instrument is presented.

31 2. The schedule of fees and charges permitted under this section shall
32 be conspicuously and continuously posted in every location and [~~mobil~~
33 ~~unit~~] limited station licensed under this article.

34 3. In the case of an internet, digital or other electronic advertise-
35 ment or solicitation, a licensee shall be deemed to have fulfilled the
36 disclosure requirements required by law by displaying the disclosures on
37 its website, so long as the advertisement or solicitation includes a
38 link directly to such website.

39 4. No change in fees shall become effective earlier than thirty days
40 after the superintendent shall notify the majority leader of the senate,
41 the speaker of the assembly, and the chairmen of both the senate and
42 assembly committees on banks of his or her intention to change fees.

43 [~~4-~~] 5. The fees in effect immediately prior to the effective date of
44 this subdivision shall continue to be the maximum allowable fees until
45 revised by the superintendent's regulations.

46 [~~5-~~] 6. Each licensee shall keep and use in its business such books,
47 accounts, and records as the superintendent may require to carry into
48 effect the provisions of this article and the rules and regulations made
49 by the superintendent hereunder. Every licensee shall preserve such
50 books, accounts and records for at least two years.

51 [~~6-~~] 7. Before a licensee shall deposit with any banking organization,
52 or with any organization engaged in the business of banking, a check,
53 draft or money order cashed by such licensee, the same must be endorsed
54 with the actual name under which such licensee is doing business and
55 must have the words "licensed casher of checks" legibly written or
56 stamped immediately after or below such name.

1 ~~[7-]~~ 8. Every licensee shall submit to the superintendent, or such
2 person as the superintendent may designate, such suspicious activity
3 reports or currency transaction reports as are required to be submitted
4 to federal authorities pursuant to provisions of the Bank Secrecy Act
5 (subchapter 11, chapter 53, title 31, United States code) and regu-
6 lations and administrative orders related thereto, as amended, within
7 the periods of time as required by such act and regulations. A licensee
8 may submit a copy of any such report to the superintendent, or such
9 person as the superintendent may designate, that is filed with such
10 federal authorities. The superintendent may adopt such regulations or
11 require such additional reports as he or she deems necessary to insure
12 the effective enforcement of this subdivision.

13 § 10. Section 372-a of the banking law, as added by chapter 432 of the
14 laws of 2004, is amended to read as follows:

15 § 372-a. Superintendent authorized to examine. 1. For the purpose of
16 discovering violations of this article or securing information lawfully
17 required in this section, the superintendent may at any time, and as
18 often as may be determined, either personally or by a person duly desig-
19 nated by the superintendent, investigate the ~~[cashing of checks by~~
20 ~~licensees]~~ business practices of a licensee rendering financial services
21 authorized by this article and examine the books, accounts, records, and
22 files used therein of every licensee.

23 2. For the purpose established in subdivision one of this section, the
24 superintendent and his or her duly designated representatives shall have
25 free access to the offices and places of business, books, accounts,
26 papers, records, files, safes and vaults of all such licensees. The
27 superintendent shall have authority to require the attendance of and to
28 examine under oath all persons whose testimony may be required relative
29 to such cashing of checks or such business.

30 § 11. Subdivisions 1 and 2 of section 373 of the banking law, subdivi-
31 sion 1 as amended by chapter 432 of the laws of 2004 and subdivision 2
32 as amended by chapter 132 of the laws of 1969, are amended to read as
33 follows:

34 1. No licensee shall engage in the business of making loans of money,
35 credit, goods or things or discounting of notes, bills of exchange,
36 checks, or other evidences of debt pursuant to the provisions of article
37 nine of this chapter, nor shall a loan business or the negotiation of
38 loans or the discounting of notes, bills of exchange, checks or other
39 evidences of debt be conducted on the same premises where the licensee
40 is conducting business pursuant to the provisions of this article.
41 Except as otherwise provided by regulation of the superintendent, all
42 checks, drafts and money orders shall be deposited in the licensee's
43 bank account not later than the first business day following the day on
44 which they were cashed. No licensee shall at any time cash or advance
45 any moneys on a post-dated check or draft or engage in the business of
46 transmitting money or receiving money for transmission; provided, howev-
47 er, that a licensee may cash a check ~~[payable on the first banking busi-~~
48 ~~ness day following the date of cashing (a) if such check is drawn by the~~
49 ~~United States, the state of New York, or any political subdivision of~~
50 ~~the state of New York, or by any department, bureau, agency, authority,~~
51 ~~instrumentality or officer, acting in his official capacity, of the~~
52 ~~United States or of the state of New York or of any political subdivi-~~
53 ~~sion of the state of New York, or (b) if such check is a payroll check~~
54 ~~drawn by an employer to the order of its employee in payment for~~
55 ~~services performed by such employee]~~ without regard to the date
56 imprinted on the check as long as the check is deposited in the

1 licensee's bank account not later than the first business day following
2 the day on which it was cashed. No licensee shall cash any check, draft
3 or money order if the face amount for which it is drawn is in excess of
4 [~~fifteen~~] thirty thousand dollars; provided, however, that this
5 restriction shall not apply to the cashing of checks, drafts or money
6 orders drawn by the United States, any state thereof or any political
7 subdivision of any such state, or by any department, bureau, agency,
8 authority, instrumentality or officer, acting in his official capacity,
9 of the United States, any state thereof or any political subdivision of
10 any such state, or any [~~banking~~] financial institution, or to any check
11 or draft drawn by or on account of any insurance company, any check
12 issued on behalf of an insurance company, any broker or dealer regis-
13 tered with the securities and exchange commission, or any check which
14 from the face of the check, the check stub or other documentary
15 evidence, it is apparent that such check is issued for a business or
16 commercial purpose by an attorney [~~for the settlement of claims~~], such
17 as from an interest on lawyer account, or as an advance to a lawsuit or
18 as part of a structured settlement, or from the sale of real estate, or
19 to any checks for compensation bonuses under incentive plans, or to any
20 check which has been certified or guaranteed by the banking institution
21 on which it has been drawn, or if such check is drawn on a bona fide
22 workers' compensation fund issued by a third-party payor, or if such
23 check is drawn by an employer from a pension or profit sharing fund, or
24 if such check is drawn by a union from a pension or benefit fund or if
25 such check is drawn by a union; provided further, however, that any such
26 restriction upon the maximum face amount that may be cashed by a licen-
27 see shall not apply to the cashing of checks, drafts or money orders by
28 licensees for payees of such checks, drafts or money orders that are
29 other than natural persons. For purposes of this subdivision, "[~~banking~~]
30 financial institution" means any bank, trust company, savings bank,
31 savings and loan association [~~or~~], credit union or other financial
32 institution which is incorporated, chartered [~~or~~], organized or licensed
33 under the laws of this state or any other state or the United States.

34 2. The superintendent may suspend or revoke any license or licenses
35 issued pursuant to this article if, after notice and a hearing, he or
36 she shall find that the licensee (a) has committed any fraud, engaged in
37 any dishonest activities or made any misrepresentation; or (b) has
38 violated any provisions of the banking law or any regulation issued
39 pursuant thereto, or has violated any other law in the course of its or
40 his dealings as a licensed casher of checks; or (c) has made a false
41 statement in the application for such license or failed to give a true
42 reply to a question in such application; or (d) has demonstrated his or
43 its incompetency or untrustworthiness to act as a licensed casher of
44 checks; or (e) is not doing sufficient business pursuant to this article
45 to justify the continuance of the license, or if he or she shall find
46 that any ground or grounds exist which would require or warrant the
47 refusal of an application for the issuance of the license if such an
48 application were then before him or her. Such a hearing shall be held
49 in the manner and upon such notice as may be prescribed by the super-
50 intendent. Pending an investigation or a hearing for the suspension or
51 revocation of any license or licenses issued pursuant to this article,
52 the superintendent may temporarily suspend such license or licenses for
53 a period not to exceed ninety days, provided the superintendent shall
54 find that such a temporary suspension is in the public interest.

55 § 12. Subdivision 3 of section 37 of the banking law, as amended by
56 chapter 360 of the laws of 1984, is amended to read as follows:

1 3. In addition to any reports expressly required by this chapter to be
2 made, the superintendent may require any banking organization, licensed
3 lender, licensed casher of checks, licensed mortgage banker, foreign
4 banking corporation licensed by the superintendent to do business in
5 this state, bank holding company and any non-banking subsidiary thereof,
6 corporate affiliate of a corporate banking organization within the mean-
7 ing of subdivision six of section thirty-six of this article and any
8 non-banking subsidiary of a corporation which is an affiliate of a
9 corporate banking organization within the meaning of subdivision six-a
10 of section thirty-six of this article to make special reports to him or
11 her at such times as he or she may prescribe.

12 § 13. This act shall take effect on the one hundred eightieth day
13 after it shall have become a law; provided, however, that:

14 (a) effective immediately, any rules and regulations necessary to
15 implement the provisions of this act on its effective date shall be
16 added, amended and/or repealed on or before such date;

17 (b) the amendments to section 373 of the banking law made by section
18 eleven of this act shall expire and be deemed repealed June 30, 2022;
19 and

20 (c) any contract, instrument, argument or other written obligation
21 entered into by a financial service provider authorized under section
22 373 of the banking law prior to June 30, 2022 shall be deemed valid and
23 enforceable after such date.