STATE OF NEW YORK

8402

IN SENATE

May 21, 2020

Introduced by Sen. SANDERS -- 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 prohibited debt collection practices during a disaster emergency

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

Section 1. The general business law is amended by adding a new section 601-b to read as follows:

§ 601-b. Prohibited practices; disaster emergency. During a declared state of disaster emergency, no principal creditor, as defined by this article, or his agent shall:

1. communicate in any way with debtors to collect a debt during a state disaster emergency and for ninety days thereafter;

2. knowingly collect, attempt to collect, or assert a right to any collection fee, attorney's fee, court cost or expense during a state disaster emergency;

3. disclose or threaten to disclose information affecting the debtor's reputation for credit worthiness during a state disaster emergency; or

4. enforce any judgments or have any third parties enforce any judgments, or place a judgment lien on any bank accounts, personal or commercial during a state disaster emergency and for ninety days thereafter.

§ 2. This act shall take effect immediately and shall be deemed to have been in full force and effect on and after March 7, 2020.

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

LBD16411-02-0