STATE OF NEW YORK

5864--C

2021-2022 Regular Sessions

IN ASSEMBLY

March 1, 2021

Introduced by M. of A. STIRPE -- read once and referred to the Committee on Banks -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- again amended on third reading, ordered reprinted, retaining its place on the order of third reading

AN ACT to amend the banking law, in relation to requiring transmitters of money to provide a certain warning to consumers

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 652-c to read as follows:

§ 652-c. Required warning. 1. A person engaged in the business of receiving money for transmission or transmitting money by wire or electronic transfer which, at the request of an individual who in-person, by telephone or electronic means transmits funds to another person, business or entity, shall:

(a) provide a clear, concise, and conspicuous consumer fraud warning prior to initiating the money transfer transaction and on all funds transfer forms used by consumers to send money to an individual;

(b) provide annual consumer fraud prevention training for agents involved with funds transfers;

(c) monitor agent activity relating to consumer funds transfers; and

(d) establish a toll-free number for consumers to call to report fraud or suspected fraud and provide information on how to stop a transfer.

2. The warning required by this section shall not apply to an electronic funds transfer in which funds are not transferred directly to another person and are not available for immediate use.

3. A violation of the provisions of this section shall be punishable by a civil penalty of not more than two hundred fifty dollars for the first violation and five hundred dollars for each subsequent violation.

§ 2. This act shall take effect on the one hundred eightieth day after it shall have become a law.

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

LBD03068-09-1