STATE OF NEW YORK

7650

2021-2022 Regular Sessions

IN ASSEMBLY

May 19, 2021

Introduced by M. of A. PICHARDO -- read once and referred to the Committee on Banks

AN ACT to amend the banking law, in relation to requiring a written notification of overdraft fees charged to certain account holders

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 9-y to read as follows:

§ 9-y. Fees based on overdraft of account; notification. 1. Notwithstanding any other provision of law or rule or regulation to the contrary, any financial institution subject to the provisions of this chapter, including any bank, trust company, savings bank, savings and loan association, credit union, mortgage broker, mortgage banker, or other investment entity, whether headquartered within or outside the state, which provides an account to a customer shall provide written notice of fees charged due to overdraft of an account every one hundred eighty days. Such notice shall include:

(a) dates and amounts of overdraft fees;

(b) the total amount charged;

(c) information on the customer's ability to negotiate fees; and

(d) a telephone number and full contact information for a representative of the financial institution responsible for resolving any matter relating to such fee.

2. A notification by electronic means shall satisfy the writing requirement for the purposes of this section if such option is selected by the account holder.

§ 2. This act shall take effect January 1, 2022.

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

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