

STATE OF NEW YORK

3921

2021-2022 Regular Sessions

IN SENATE

February 1, 2021

Introduced by Sens. SANDERS, MAYER, PARKER -- read twice and ordered printed, and when printed to be committed to the Committee on Banks

AN ACT to amend the banking law, in relation to asset-based lending transactions

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

1 Section 1. The banking law is amended by adding a new section 340-a to
2 read as follows:

3 § 340-a. Asset-based lending transactions. 1. As used in this section
4 the term "asset-based lending transaction" shall mean a transaction in
5 which advances are made which are contingent on the recipient forwarding
6 payments received from one or more third parties for goods such recipi-
7 ent has supplied or services such recipient has rendered to that third
8 party or parties.

9 2. All asset-based lending transactions shall be deemed to be loans
10 for all purposes.

11 § 2. This act shall take effect on the ninetieth day after it shall
12 have become a law.

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

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