

STATE OF NEW YORK

2282

2023-2024 Regular Sessions

IN ASSEMBLY

January 25, 2023

Introduced by M. of A. STIRPE, SAYEGH, SANTABARBARA -- read once and referred to the Committee on Banks

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:

1 Section 1. The banking law is amended by adding a new section 652-c to
2 read as follows:

3 § 652-c. Required warning. 1. A person engaged in the business of
4 receiving money for transmission or transmitting money by wire or elec-
5 tronic transfer which, at the request of an individual who in-person, by
6 telephone or electronic means transmits funds to another person, busi-
7 ness or entity, shall:

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

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

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

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

16 2. The warning required by this section shall not apply to an elec-
17 tronic funds transfer in which funds are not transferred directly to
18 another person and are not available for immediate use.

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

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

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

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