STATE OF NEW YORK

9210--A

IN ASSEMBLY

February 16, 2024

Introduced by M. of A. JACOBSON, LUCAS, HYNDMAN, TAYLOR, SANTABARBARA, GLICK, DILAN, WEPRIN, SAYEGH, SEPTIMO, DAVILA, STECK, REYES -- read once and referred to the Committee on Banks -- recommitted to the Committee on Banks in accordance with Assembly Rule 3, sec. 2

AN ACT to amend the banking law, in relation to establishing criteria for the closure of banking accounts in the state of New York

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-ii to read as follows:

§ 9-ii. Closure of accounts. All banking organizations and out-of-state state banks authorized to operate and maintain branches pursuant to article five-C of this chapter when closing the account of a customer shall:

(a) provide sixty days' notice that such account is being closed, whether for personal or business use, and provide the reason for such closure; provided that nothing in this section shall be construed to preempt any federal law that prohibits disclosure of the reason for an account closure; and

(b) return any remaining funds from such account within sixty days after the closure of such account to the owner.

§ 2. This act shall take effect immediately.

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

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