

# STATE OF NEW YORK

10640

## IN ASSEMBLY

March 13, 2026

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

AN ACT to amend the banking law, in relation to the accessibility of consumer financial data and the prohibition of fees for the transfer of such data to authorized parties

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

1 Section 1. Short title. This act shall be known and may be cited as  
2 the "New York financial data rights act".

3 § 2. The banking law is amended by adding a new article 14-C to read  
4 as follows:

### ARTICLE 14-C

#### CONSUMER AND SMALL BUSINESS FINANCIAL DATA RIGHTS

##### Section 800. Definitions.

8 801. Consumer and small business right to data portability.

9 802. Prohibition of fees for data access.

10 803. Authorized representative obligations.

11 804. Security standards.

12 805. Enforcement and penalties.

13 § 800. Definitions. As used in this article, the following terms shall  
14 have the following meanings:

15 1. "Authorized representative" means any person or entity, other than  
16 the financial institution holding the data, that seeks to access covered  
17 data with the consumer's or small business's consent pursuant to section  
18 eight hundred three of this article.

19 2. "Consumer" means an individual who resides in the state of New  
20 York.

21 3. "Financial institution" means:

22 (a) a banking organization as defined in subdivision eleven of section  
23 two of this chapter;

24 (b) any out-of-state state bank as defined in subdivision two of  
25 section two hundred twenty-two of this chapter that maintains a finan-  
26 cial product or service for a resident in this state;

27 (c) any person or entity acting as a custodian for financial assets as  
28 described in section 11-1.9 of the estates, powers and trusts law; and

29 (d) any other data provider regulated by the department that maintains  
30 a financial product or service for a resident of this state.

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

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1 4. "Covered data" means the following information relating to a consum-  
2 er or small business in the control or possession of a financial insti-  
3 tution:

4 (a) Transaction information, including amounts, dates, payment types,  
5 pending or authorized status, and payee or merchant names, for at least  
6 twenty-four months preceding the request;

7 (b) Account balance information;

8 (c) Information to initiate payment to or from a covered account,  
9 including account numbers;

10 (d) Terms and conditions of the consumer or small business, financial  
11 product or service, including interest rates, credit limits, overdraft  
12 coverage, rewards, and fee schedules;

13 (e) Upcoming bill information, including amounts and due dates; and

14 (f) Account and identity verification information, including name,  
15 address, and contact information.

16 5. "Exempt data" means information that a financial institution is not  
17 required to make available, subject to the requirements in subdivision  
18 two of section eight hundred one of this article, consisting of:

19 (a) Any confidential commercial information, including proprietary  
20 algorithms used to derive credit or risk scores;

21 (b) Information collected solely for the purpose of preventing fraud  
22 or money laundering;

23 (c) Information required to be kept confidential by any other  
24 provision of law; and

25 (d) Any information the financial institution cannot retrieve in the  
26 ordinary course of business.

27 § 801. Consumer and small business right to data portability. 1. Upon  
28 the request of a consumer, small business, or their authorized represen-  
29 tative, a financial institution shall make available all covered data  
30 they have requested in a secure, electronic, and machine-readable format  
31 by which the consumer, small business, or authorized representative can  
32 retrieve, retain, and transfer such data for processing into a separate  
33 information system.

34 2. Financial institutions shall maintain a developer interface, such  
35 as a standardized application programming interface, to receive and  
36 respond to requests for access to covered data as set forth in subdivi-  
37 sion one of this section.

38 3.(a) A financial institution shall not engage in or be a party to any  
39 unreasonable denial or impairment of access by a consumer, a small busi-  
40 ness, or authorized representative, including without limitation any  
41 denial or impairment related to risk or security standards.

42 (b) Unreasonable denial or impairment under paragraph (a) of this  
43 subdivision includes conduct that:

44 (i) Is likely to evade or unreasonably delay compliance with, or  
45 interfere with, prevent, or materially discourage access of covered data  
46 by a consumer, a small business, or an authorized representative;

47 (ii) Degrades, impairs, or creates barriers that would restrict or  
48 systematically impede access to covered data by a consumer, a small  
49 business or authorized representative; or

50 (iii) Is applied to a consumer, a small business, or authorized repre-  
51 sentative in a discriminatory manner.

52 (c) A financial institution is not engaged in or a party to an unrea-  
53 sonable denial of access by an authorized representative by denying  
54 access if the denial:

55 (i) Is necessary to ensure compliance with specific safety and sound-  
56 ness obligations of the financial institution's prudential regulator,

1 and is based on standardized safety and soundness criteria available to  
2 authorized representatives upon request; or

3 (ii) To comply with applicable law.

4 (d) A financial institution shall bear the burden of demonstrating  
5 that a denial of access under paragraph (c) of this subdivision is  
6 reasonable based on a specific, known risk likely to cause substantial  
7 injury to consumers or small businesses, and that such denial is applied  
8 consistently to authorized representatives facing the same or materially  
9 similar risk.

10 (e) A financial institution shall provide prompt notice of any denial  
11 of access to a consumer, small business, or authorized representative.

12 § 802. Prohibition of fees for data access. No financial institution  
13 shall directly or indirectly impose a fee, assessment, or any other  
14 charge to a consumer, small business, or authorized representative in  
15 connection with receiving requests for or making available covered data  
16 as required by section eight hundred one of this article. This prohibi-  
17 tion applies to the establishment, maintenance, and usage of the devel-  
18 oper interface.

19 § 803. Authorized representative obligations. 1. An authorized repre-  
20 sentative must obtain express, informed consent from a consumer or small  
21 business in order to request access to covered data on the consumer's or  
22 small business's behalf.

23 2. Authorized representatives shall provide a simple and transparent  
24 mechanism for a consumer or small business to view and revoke any  
25 authorizations for data sharing at any time.

26 3. An authorized representative must limit its collection, use, and  
27 retention of covered data to what is reasonably necessary to provide the  
28 consumer's or small business's requested product or service.

29 4. An authorized representative must apply to its systems for the  
30 collection, use, and retention of covered data an information security  
31 program that satisfies the applicable rules issued pursuant to section  
32 five hundred one of the Gramm-Leach-Bliley Act (15 U.S.C. 6801) or, if  
33 the authorized representative is not subject to section five hundred one  
34 of the Gramm-Leach-Bliley Act, the third party shall apply to its  
35 systems for the collection, use, and retention of covered data the  
36 information security program required by the federal trade commission's  
37 standards for safeguarding customer information, 16 CFR part 314.

38 § 804. Security standards. For the purpose of authenticating a consum-  
39 er's or small business's request pursuant to subdivision one of section  
40 eight hundred one of this article, financial institutions shall use, at  
41 a minimum, the same processes and information that they rely upon to  
42 authenticate a consumer or small business for their online banking  
43 portals.

44 § 805. Enforcement and penalties. 1. The superintendent of financial  
45 services shall have the power to enforce the provisions of this article.

46 2. Any financial institution found to be in violation of this article,  
47 including the improper charging of fees or the restrictions set forth in  
48 subdivision three of section eight hundred one of this article, shall be  
49 subject to a civil penalty of not more than ten thousand dollars per  
50 violation.

51 § 3. This act shall take effect on the sixtieth day after it shall  
52 have become a law.