# STATE OF NEW YORK

10640--A

# IN ASSEMBLY

March 13, 2026

Introduced by M. of A. VANEL, TAPIA, WEPRIN -- read once and referred to the Committee on Banks -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

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:**

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

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

**ARTICLE 14-C**

**CONSUMER AND SMALL BUSINESS FINANCIAL DATA RIGHTS**



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

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

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

**3. "Financial institution" means:**

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

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

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

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

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

4."Covered data" means the following information relating to a consumer or small business in the control or possession of a financial institution:

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

(b) Account balance information;

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

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

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

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

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

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

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

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

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

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

2. Financial institutions shall maintain a developer interface, such as a standardized application programming interface, to receive and respond to requests for access to covered data as set forth in subdivision one of this section.

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

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

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

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

(iii) Is applied to a consumer, a small business, or authorized representative in a discriminatory manner.

(c) A financial institution is not engaged in or a party to an unreasonable denial of access by an authorized representative by denying access if the denial:

(i) Is necessary to ensure compliance with specific safety and soundness obligations of the financial institution's prudential regulator, and is based on standardized safety and soundness criteria available to authorized representatives upon request; or

(ii) To comply with applicable law.

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

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

§ 802. Prohibition of fees for data access. No financial institution shall directly or indirectly impose a fee, assessment, or any other charge to a consumer, small business, or authorized representative in connection with receiving requests for or making available covered data as required by section eight hundred one of this article. This prohibition applies to the establishment, maintenance, and usage of the developer interface.

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

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

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

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

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

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

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

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