

# STATE OF NEW YORK

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5600

2025-2026 Regular Sessions

## IN SENATE

February 25, 2025

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Introduced by Sen. MAY -- read twice and ordered printed, and when printed to be committed to the Committee on Consumer Protection

AN ACT to amend the personal property law, in relation to providing for a cap on the credit service charge computed and collected on a retail instalment contract

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

- 1 Section 1. Subdivision 1 of section 404 of the personal property law,  
2 as amended by chapter 883 of the laws of 1980, is amended to read as  
3 follows:  
4 1. A seller may, in a retail instalment contract or obligation,  
5 contract for and, if so contracted for, the holder thereof may charge,  
6 receive and collect a credit service charge computed on the principal  
7 balance of the contract or obligation from the date thereof to and  
8 including the date when the final instalment is payable, at the rate or  
9 rates agreed to by the buyer, but such credit service charge shall not  
10 exceed the interest rate established pursuant to section fourteen-a of  
11 the banking law.  
12 § 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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