STATE OF NEW YORK

5031--B

Cal. No. 134

2025-2026 Regular Sessions

IN ASSEMBLY

February 11, 2025

Introduced by M. of A. JACOBSON, LUCAS, HYNDMAN, TAYLOR, SANTABARBARA, GLICK, DILAN, SAYEGH, SEPTIMO, DAVILA, STECK, REYES, BURDICK, SEAWRIGHT -- read once and referred to the Committee on Banks -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- ordered to a third reading, amended and ordered reprinted, retaining its place on the order of third reading

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. 1. 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 thirty days' notice that such account is being closed, whether for personal or business use, and provide the reason for such closure, and

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

2. This section shall not apply to the extent that it is preempted by federal law. Nothing in this section shall be construed to require any act prohibited, or prohibit any act required, by federal law.

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

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

LBD03161-04-6