

STATE OF NEW YORK

163

2025-2026 Regular Sessions

IN SENATE

(Prefiled)

January 8, 2025

Introduced by Sens. RAMOS, COMRIE, JACKSON -- read twice and ordered printed, and when printed to be committed to the Committee on Banks

AN ACT to amend the banking law, in relation to mandating acceptance of the New York city identity card as a primary form of identification at all covered entities

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

1 Section 1. This act shall be known and may be cited as the "pro-bank-
2 ing act".
3 § 2. Legislative findings. The legislature hereby finds and declares
4 that:
5 (a) Local law no. 35 for the year 2014 amended subchapter 1 of chapter
6 1 of title 3 of the administrative code of the city of New York by
7 adding a section 3-115, creating the New York city identity card
8 program. One of the main objectives of the program was to expand access
9 to bank-approved identification cards, thereby reducing the number of
10 unbanked residents across the city. In 2015, federal regulatory authori-
11 ties notified the city agencies in charge of administering the program
12 that banks could use the New York city identity card to satisfy the
13 minimum requirements of federal anti-money laundering laws. In 2016, the
14 New York State Department of Financial Services further "encourage[~~a~~]
15 New York state-chartered and licensed financial institutions to accept
16 the Municipal ID as a form of acceptable identification card."
17 (b) Despite authorization by federal and state regulatory authorities,
18 only approximately one-third of city banks accept the New York city
19 identity card, leaving many city residents on the margins of the finan-
20 cial system. As of 2017, 11.2 percent of households in New York city had
21 no bank account and ten neighborhoods accounted for nearly 35 percent of
22 those households. Residents of color, undocumented residents, and resi-
23 dents living below the poverty line are disproportionately impacted and

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

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1 are at greater risk of falling victim to predatory financial services,
2 imperiling their financial futures and aggravating economic inequality
3 across the state.

4 (c) The purpose of this legislation is to ensure that our most vulner-
5 able residents are not cut off from traditional banking services.
6 Mandating acceptance of the New York city identity card at state-char-
7 tered financial institutions will allow all residents to build their
8 financial futures and advance the state's goal of facilitating broader
9 financial inclusion.

10 § 3. The banking law is amended by adding a new section 13 to read as
11 follows:

12 § 13. Acceptance of New York city identity card. 1. Definitions. As
13 used in this section:

14 (a) "New York city identity card" refers to the identity card issued
15 by the city of New York pursuant to subdivision c of section 3-115 of
16 the administrative code of the city of New York.

17 (b) "Covered entity" means all banking organizations, foreign banking
18 corporations licensed by the superintendent, and interstate branches
19 established pursuant to article five-C of this chapter.

20 2. Covered entities shall accept the New York city identity card as a
21 primary source of identification for account-opening purposes. In the
22 event a customer's New York city identity card does not contain a resi-
23 dential or business street address, a covered entity shall not deny a
24 customer account-opening services, provided the customer can furnish a
25 residential or business street address of their next of kin or another
26 contact individual consistent with federal laws and regulations.
27 Receipt of a New York city identity card shall be deemed to satisfy the
28 customer identification program requirements of all covered entities
29 consistent with laws, rules and regulations of the state of New York.
30 Nothing in subdivision two of section twelve-a of this article shall be
31 deemed to annul this section.

32 3. The superintendent is empowered to exempt any covered entity
33 subject to subdivision two of this section upon a demonstration that it
34 would be unable to comply with relevant federal laws or regulations,
35 including without limitation, customer identification programs regarding
36 anti-money laundering laws, or upon a demonstration of other reasons for
37 inability to comply that the superintendent finds sufficient.

38 § 4. Severability. If any clause, sentence, paragraph, section or part
39 of this act shall be adjudged by any court of competent jurisdiction to
40 be invalid and after exhaustion of all further judicial review, the
41 judgment shall not affect, impair or invalidate the remainder thereof,
42 but shall be confined in its operation to the clause, sentence, para-
43 graph, section or part of this act directly involved in the controversy
44 in which the judgment shall have been rendered.

45 § 5. This act shall take effect on the one hundred eightieth day after
46 it shall have become a law. Effective immediately, the addition, amend-
47 ment and/or repeal of any rule or regulation necessary for the implemen-
48 tation of this act on its effective date are authorized to be made and
49 completed on or before such effective date.