

STATE OF NEW YORK

6543

2025-2026 Regular Sessions

IN SENATE

March 17, 2025

Introduced by Sen. SANDERS -- read twice and ordered printed, and when printed to be committed to the Committee on Transportation

AN ACT to amend the vehicle and traffic law, in relation to requiring retail motor vehicle dealers to disclose to purchasers any markups in the cost of a motor vehicle as the result of financing the cost thereof; and to amend the financial services law, in relation to authorizing the financial frauds and consumer protection unit to study motor vehicle dealer price markups

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

1 Section 1. Section 415 of the vehicle and traffic law is amended by
2 adding a new subdivision 3-b to read as follows:

3 3-b. Retail dealer financing markup. a. Every retail dealer shall
4 disclose to each purchaser of a motor vehicle, at the time of sale, any
5 markups in the cost of such motor vehicle related to the entry into a
6 retail installment contract, loan agreement or other financing agreement
7 for the vehicle pursuant to article nine of the personal property law.
8 The failure of any retail dealer to comply with the provisions of this
9 paragraph shall be grounds for the department to suspend or revoke the
10 registration issued to such dealer pursuant to this section.

11 b. Upon violation of the provisions of paragraph a of this subdivi-
12 sion, an aggrieved purchaser shall be entitled to compensatory damages
13 equal to the financing markup, and reasonable attorney's fees.

14 § 2. Section 404 of the financial services law is amended by adding a
15 new subsection (d) to read as follows:

16 (d)(1) The financial frauds and consumer protection unit is authorized
17 to conduct a study of the patterns and practices of motor vehicle price
18 markups by motor vehicle dealers to identify problematic practices
19 including, but not limited to, race discrimination, and make recommenda-
20 tions for the elimination of such problematic practices.

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

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1 (2) The financial frauds and consumer protection unit shall submit the
2 findings and recommendations of its study, conducted pursuant to para-
3 graph one of this subsection, to the governor, the temporary president
4 of the senate, the speaker of the assembly, and the chairs of the senate
5 and assembly banks committees.

6 § 3. This act shall take effect on the first of January next succeed-
7 ing the date on which it shall have become a law.