*** § 745. Interest and other charges.** 1. No buy-now-pay-later lender shall: (a) charge interest unless the rate of interest to be charged is allowable pursuant to its license or authorization; (b) charge interest unless the rate of interest to be charged is clearly disclosed and agreed to by the consumer; or (c) directly or indirectly charge, contract for, or receive any interest, discount, or consideration upon the loan, use, forbearance of money, goods, or things, or inaction, or upon the loan, use, or sale of credit greater than the maximum set by the superintendent pursuant to this section, but in no case greater than the rate permitted by section 5-501 of the general obligations law.

2. The superintendent shall establish a maximum cumulative amount of all charges and fees that a buy-now-pay-later lender can charge a consumer in connection with each category of buy-now-pay-later loans. The superintendent shall also establish a maximum amount or percentage for total specific charge or fee in connection with origination, late payment, default or any other violation of the buy-now-pay-later loan agreement, that a buy-now-pay-later lender can charge a consumer for each category of buy-now-pay-later loans. Any such fee or charge shall not be collected more than once for a single such late payment, default, or other violation of the buy-now-pay-later loan agreement.

3. The superintendent shall promulgate rules and regulations regarding the manner of charging interest and fees as prescribed as in this section.

* NB Effective upon the one hundred eightieth day after the promulgation of rules and/or regulations by the department of financial services to effectuate certain provisions (see Ch. 58 of 2025, Part Y, § 13)