

New York State Assembly

# Annual 2024 Report

Committee on  
Banks



Speaker Carl E. Heastie  
Pamela J. Hunter, Chair



PAMELA J. HUNTER  
Assemblywoman 128<sup>th</sup> District

THE ASSEMBLY  
STATE OF NEW YORK  
ALBANY

CHAIR  
Banking  
Women Veterans

COMMITTEES  
Energy  
Insurance  
Veterans' Affairs

December 15, 2024

The Honorable Carl E. Heastie  
Speaker of the Assembly  
State Capitol, Room 349  
Albany, NY 12248

Dear Speaker Heastie:

I am pleased to submit the 2024 Annual Report for the Assembly Standing Committee on Banks.

The 2024 Annual Report outlines the Committee's legislative work and other initiatives this year, as well as important developments since the close of session. Additionally, the Report provides the Committee's outlook for the 2025 legislative session, where we will continue to protect consumers' financial interests and rights while helping to improve and grow the banking industry across the State.

Highlights of the 2024 Legislative Session include legislation to clarify joint bank account ownership and establish the NYS Cryptocurrency and Blockchain Task Force to assess digital asset regulation. The Committee also reported bills requiring acceptance of NYC municipal IDs to open bank accounts, and prohibiting certain fees, such as fees for paper statements and ATM service fees for recipients of public benefits. Additionally, the Committee reported bills to strengthen the Department of Financial Services (DFS) oversight by establishing a private education debt registry, publishing a pamphlet to guide homebuyers, and expanding powers to regulate "buy now, pay later" lenders and installment loans. Finally, new legislation to establish the Bank of Rochester and promote Banking Development District assessments would support local economic growth.

The Committee held a hearing on the growth of financial technology or "fintech" in New York State. While fintech innovations may increase access to financial services in underserved areas, they can lack the oversight of more traditional financial service providers. Fintech companies testified at the hearing to explain their role in New York's banking industry.

I want to offer tremendous thanks to my fellow members of the Assembly Banks Committee for the time and work that they put into serving the interests of the residents of our State during this challenging year. I would also like to thank the Committee staff for their hard work and dedication.

Finally, I greatly appreciate your leadership and look forward to a productive session in 2025.

Very truly yours,

Pamela J. Hunter, Chair,  
Assembly Banks Committee

# **2024 ANNUAL REPORT**

## **NEW YORK STATE ASSEMBLY STANDING COMMITTEE ON BANKS**

**Pamela J. Hunter**  
Chair

### **Banks Committee Members**

#### **Majority**

David Weprin  
Kimberly Jean-Pierre  
Rebecca Seawright  
Clyde Vanel  
Grace Lee  
Al Taylor  
Patrick Burke  
Chris Burdick  
Steve Stern  
Inez Dickens  
Nader Sayegh  
Marianne Buttenschon  
Khaleel Anderson  
Marcela Mitaynes  
Amanda Septimo  
Brian Cunningham  
Manny De Los Santos  
Yudelka Tapia  
Landon Dais  
Steven Raga

#### **Minority**

Brian Curran,  
Ranking Minority Member  
  
Michael Fitzpatrick  
John Lemondes  
John Mikulin  
Lester Chang  
Ed Flood  
David DiPietro  
Robert Smullen  
Josh Jensen

#### **Staff**

Matthew Henning, Assistant Secretary for Program and Policy  
Michael Sullivan, Associate Counsel  
Gerson Murillo Nunez, Legislative Analyst  
Jacob Sherretts, Policy Chief

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## **I. INTRODUCTION**

The New York State Assembly Standing Committee on Banks was established to review and initiate legislation that affects financial institutions that operate in New York State.

The Committee's statutory purview includes the Banking Law, the Financial Service Law, the General Obligations Law, the Uniform Commercial Code, and the Personal Property Law. Entities under the Banking Law jurisdiction include banks, credit unions, savings banks, savings and loan associations, licensed lenders, licensed cashers of checks, money transmitters, trust companies, safe deposit companies, bank holding companies, sales finance companies, budget planners, mortgage brokers, mortgage bankers, insurance premium finance agencies, and foreign and private banks. Other entities that engage with NY customers in a financial capacity may also be covered by New York State law and the Banking Committee's purview.

The Banks Committee considers bills to address a broad range of banking concerns, from the perspective of both the industry and consumers. We are aware of the need to maintain a competitive balance among financial institutions, protect customers' interests, provide housing finance, and improve banking regulations and administration. The legislation reported from the Committee reflects as much.

During the 2024 legislative session, the Banks Committee met seven times. The Committee reported twenty bills favorably: twelve passed the Assembly, six passed both houses, six were signed into law, and two were vetoed.

## **II. MAJOR ISSUES OF 2024**

### **Cryptocurrency**

#### **A.9507 (Vanel)/S.8136-A (Sanders)**

*Vetoed– Veto memo 67 of 2024*

This legislation would establish the NYS Cryptocurrency and Blockchain Task Force. This task force would examine cryptocurrency and blockchain technology and its impact on innovation, energy consumption, competition, and consumer financial protection. The taskforce would provide policy recommendations based on its findings.

### **Consumer and Lender Affairs**

#### **A.2282 (Stripe)/No Same As**

*Passed the Assembly*

This legislation would require money transmitters to provide warnings to consumers regarding fraudulent activities when they conduct a transaction in-person or over the phone.

#### **A.4124-A (Pheffer Amato)/No Same As.**

*Advanced to Third Reading Cal.327*

This legislation would require banking organizations to have a notary public available during business hours.

#### **A.5019-A(Hyndman)/S.2877 (Comrie)**

*Passed the Assembly*

This legislation would prohibit financial institutions from charging fees for periodic paper statements.

#### **A.7196 (Dinowitz)/S.5256 (Sanders)**

*Ordered to Third Reading Rules Cal.446*

This legislation would eliminate confessions of judgement (CoJ) entirely in any contract or agreement for a financial product or service in NYS.

#### **A.8537 (Hunter)/A.8094 (Sanders)**

*Chapter 41 of the Laws of 2024*

This legislation is a chapter amendment to Chapter 699 of the Laws of 2023, which amended the NY Pursuit Program to increase MWBE participation in distressed areas via collaborative efforts to market the Capital Access Program. The chapter amendment revokes a web portal requirement for third-party agents.

**A.8999-C (Tapia)/S.2601 (Hoylman-Sigal)**

*Vetoed– Veto memo 129 of 2024*

This legislation would prohibit banks from charging fees for banking services such as withdrawals and electronic transfers to individuals using electronic benefit transfer cards.

**A.9057-C (Lee)/S.7826-B (Ramos)**

*Passed the Assembly*

This legislation would require banking organizations to accept the NYC municipal ID card as a valid form of identification for opening a bank account.

**A.9210-A (Jacobson)/S.9757 (Sanders)**

*Passed the Assembly*

This legislation would establish account closure standards that would require banks to provide a 60-day notice to consumers prior to closing their account and allow checks processed or submitted within 30 days of an account closure to be honored.

**A.9230-B (Wallace)/S.9383-A (Sanders)**

*Vetoed- Veto memo 110 of 2024*

This legislation would establish multiple-person accounts and implement an account signature card for account owners to specify how their funds should be disposed of upon their death. Existing law presumes equal account ownership regardless of who deposited the funds and that surviving owners will inherit funds from deceased owners, sometimes erroneously. This bill would clarify ownership rights to an account while owners are alive to prevent legal disputes after an owner has died.

**A.9463 (Zebrowski)/S.9366 (Sanders)**

*Passed the Assembly*

This legislation would protect lenders from liability if their final APR differs from their initial estimates. This protection would only apply to lenders acting in good faith in accordance with applicable rules and regulations.

**DFS Directives**

**A.1873-B (Kim)/No Same As**

*Ordered to Third Reading Rules Cal.145*

This legislation would require the Department of Financial Services in consultation with the Higher Education Services Corporation and the Department of Labor to produce a notice with responsibilities and repayment options for student loans. Employers whose employees are eligible for the public service loan forgiveness program would provide such notice to any person hired for a post-graduate internship or an entry-level job position that requires an associate degree or higher.

**A.4088-C (Gunther)/No Same As**

*Reported to Ways and Means*

This legislation would require consumer debt buyer and third-party collectors to register with DFS with the intent of protecting New Yorkers from malevolent debt collection practice.

**A.6090(Anderson)/S.6648 Sanders**

*Chapter 658 of the Laws of 2024.*

This law requires that bank's record of performance be considered by DFS when taking any action on an application or notice made by a banking institution under many sections of the Banking law.

**A.7428A (Hunter)/S.7532 (Sanders)**

*Chapter 660 of the Laws of 2024.*

This law modernizes the procedure by granting DFS jurisdiction over the removal or suspension of directors, trustees, officers, and members or partners of financial institutions. Under previous law, these proceedings would be conducted before a non-existent banking board.

**A.7814 (Lavine)/S.6639 (Myrie)**

*Referred to Rules.*

This legislation would remove the requirement that financial fraud be intentional for DFS to promulgate civil penalties.

**A.8913 (Epstein)/S.8197 (Thomas)**

*Chapter 627 of the Laws of 2024.*

This legislation would require DFS to establish a private education debt registry containing information on private education lenders and debts in New York.

**A.9588-A (Hunter)/No Same As**

*Reported to Ways and Means.*

This legislation would authorize DFS to license and regulate Buy Now, Pay Later (BNPL) lenders.

**A.9636-A (Anderson)/S.8147-B (Sanders)**

*Referred to Ways and Means.*

This legislation would establish a working group within DFS to assess the Banking Development District Program and provide recommendations to improve the program. This bill would also authorize DFS to promulgate assessment fees on bank branches located in banking development districts to finance the banking development district working group.

**A.9686 (Weprin)/S.5597B (Comrie)**



*Chapter 566 of the Laws of 2024.*

This law requires DFS to create a pamphlet in the six most spoken languages in the state, containing twenty-one key points essential for first-time and general home buyers. The pamphlet would cover topics such as comparing and negotiating rates from various mortgage.

**A.10031 (Buttenschon)/S.9382 (Sanders)**

*Chapter 254 of the Laws of 2024.*

This legislation authorizes DFS to grant New York State-chartered banks the same rights and privileges as federally chartered banks for an additional five years.

**A.10134 (Bronson)/S.9326 (Brouk)**

*Reported to Ways and Means.*

This legislation would authorize the city of Rochester to establish and operate the Bank of Rochester to support local economic development initiatives such as improving infrastructure, supporting local businesses, and addressing housing needs.

### **III. HEARINGS**

#### **Impact of Financial Technology (FinTech) and Its Role in New York’s Banking Industry**

March 7<sup>th</sup>, 2024

Financial technology, also known as FinTech, provides individuals with more options to store, share, and spend money through online companies such as Venmo, Wealthfront, Affirm, and PayPal. These companies have played a large role in providing new banking services to individuals in underbanked and unbanked communities, including in New York State. However, developments in the FinTech space are relatively recent and the industry has continued to grow exponentially in recent years. Without the cost of brick-and-mortar branch locations, these services are often free or provided at very little cost. While these innovations may provide value and accessibility, some of these services may not have the same amount of oversight as traditional banks. It is important to ensure these forms of banking are subject to appropriate oversight, including cybersecurity and transaction integrity protections, given the evolving pace of cybercrime in financial transactions. This hearing will examine the services offered by FinTech companies, their role in New York’s banking industry, and their impact on access to financial services for New Yorkers.

### **IV. BANKING COMMITTEE 2025 OUTLOOK**

The Assembly Majority and the Banks Committee has and will continue to pursue consumer protection initiatives to provide a fair playing field for both consumers and financial institutions.

The Committee will continue to pursue an agenda that responds to the banking industry and consumers’ needs and concerns. During the upcoming 2025 legislative session, the Committee

will further its efforts to ensure that every New Yorker has access to banking services, home loans, and fair and responsible business and personal credit products. The Committee will continue its important work of removing impediments to the creation and retention of generational wealth in our rural and urban communities.

In the 2025 legislative session, the Committee aims to advance legislation regulating installment loans, establishing the City of Rochester Bank, and providing for the study of cryptocurrency and blockchain technology. Building on our Fintech Hearing, the Committee seeks to further collaborate with industry stakeholders and DFS to ensure that the fintech industry is held to high standards of cybersecurity and consumer protection while ensuring it continues to expand access to banking services. On cryptocurrency, the Committee is committed to promoting innovative alternatives to the traditional financial system while prioritizing consumer protection and the prevention of money laundering and other illicit activities.

The Banks Committee will also continue to work on strengthening the New York State banking charter for both our state-chartered banks and financial institutions considering obtaining a New York State charter. New York is the financial capital of the United States, and a strong state banking charter is an important asset to its continued strength.

**APPENDIX A**

<b>2024 SUMMARY SHEET</b>
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SUMMARY OF ACTION ON ALL BILLS

REFERRED TO THE COMMITTEE ON

    Banks    

**TOTAL NUMBER OF COMMITTEE MEETINGS HELD**     7    

<u>ASSEMBLY</u>	<u>SENATE</u>	<u>TOTAL</u>
<u>BILLS</u>	<u>BILLS</u>	<u>BILLS</u>

**BILLS REPORTED FAVORABLE TO:**

Codes	9	0	9
Judiciary	0	0	0
Ways and Means	2	0	2
Rules	3	0	3
Floor	6	0	6
<b>TOTAL</b>	<b>20</b>	<b>0</b>	<b>20</b>

**COMMITTEE ACTION**

Held For Consideration	0	0	0
Defeated	0	0	0
Enacting Clause Stricken	6	0	6
<b>REMAINING IN COMMITTEE</b>	<b>44</b>	<b>9</b>	<b>53</b>

**BILLS REFERENCE CHANGED TO:**

<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>
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## APPENDIX B

### SUMMARY OF BILLS THAT BECAME LAW

CHAPTER NUMBER	ASSEMBLY BILL (SPONSOR)	DESCRIPTION
658	A.6090 (Anderson)	This law requires that bank's record of performance be considered by DFS when taking any action on an application or notice made by a banking institution under many sections of the Banking law.
660	A.7428 a (Hunter)	This law modernizes the procedure by granting DFS jurisdiction over the removal or suspension of directors, trustees, officers, and members or partners of financial institutions. Under previous law, these proceedings would be conducted before a non-existent banking board.
41	A.8537 (Hunter)	This legislation is a chapter amendment to Chapter 699 of the Laws of 2023, which amended the NY Pursuit Program to increase MWBE participation in distressed areas via collaborative efforts to market the Capital Access Program. The chapter amendment revokes a web portal requirement for third-party agents.
627	A.8913 (Epstein)	This law was amended to require licensed student loan servicers to report on associated private education creditors and providers of higher education that originate loans.
556	A.9686 (Weprin)	This law requires DFS to create a pamphlet in the six most spoken languages in the state, containing twenty-one key points essential for first-time and general home buyers. The pamphlet would cover topics such as comparing and negotiating rates from various mortgage.
254	A.10031 (Buttenschon)	This law authorizes DFS to grant New York State-chartered banks the same rights and privileges as federally chartered banks for an additional five years.

**APPENDIX C**  
**SUMMARY OF BILLS THAT WERE VETOED**

<b>VETO NUMBER</b>	<b>ASSEMBLY BILL (SPONSOR)</b>	<b>DESCRIPTION</b>
129	A.8999c Tapia	This bill would prohibit banks from charging fees for banking services such as - but not limited to - withdrawals, electronic transfers to individuals receiving electronic benefit transfer cards
71	A.9507 Vanel	This bill would create the NYS cryptocurrency and blockchain task force to provide the governor and the legislature with insights on widespread adoption of cryptocurrencies and other digital currencies and their impact.