



Legislation Text

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Int. No. 1971

By Council Members Menchaca and Kallos

A Local Law in relation to requiring the department of consumer affairs to study access to financial services

Be it enacted by the Council as follows:

Section 1. Study on access to financial services. a. Definitions. As used in this section, the following terms have the following meanings:

Department. The term “department” means the department of consumer affairs.

Unbanked. The term “unbanked” means a household in which no individual has a checking or savings account.

Underbanked. The term “underbanked” means a household in which at least one individual has a checking or savings account and has used one of the following products or services from an alternative financial services provider in the past 12 months: money orders, check cashing, international remittances, payday loans, refund anticipation loans, rent-to-own services, pawn shop loans or auto title loans.

b. The department shall conduct a study on access to financial services. In completing such study, the department shall:

1. Identify areas of the city of New York with unbanked and underbanked households;
2. Identify the issues related to opening branches of small and large commercial banks in areas with unbanked and underbanked households;
3. Identify the barriers that individuals, particularly low-income individuals and immigrants, face in accessing banking and other financial services; and

4. Recommend methods for public banks to obtain capital.

c. The department shall report the study's findings and recommendations to the mayor and the speaker of the council no later than 1 year after the effective date of this local law. Such report shall include a recommendation as to whether any additional studies would further the objective of improving access to financial services.

§ 2. This local law takes effect 30 days after it becomes law.

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