

**NEW YORK STATE
DEPARTMENT OF FINANCIAL SERVICES**

**PROPOSED
FIRST AMENDMENT TO 23 NYCRR 1**

DEBT COLLECTION BY THIRD-PARTY DEBT COLLECTORS AND DEBT BUYERS

I, Anthony J Albanese, Acting Superintendent of Financial Services, pursuant to the authority granted by Sections 202, 302, and 408 of the Financial Services Law, do hereby promulgate the following First Amendment to Part 1 of Title 23 of the Official Compilation of Codes, Rules, and Regulations, to take effect upon publication in the State Register, to read as follows:

(NEW MATTER UNDERSCORED; MATTER IN BRACKETS DELETED)

Section 1.2(a)(2) is amended to read as follows:

(2) the following [written] notice:

“If a creditor or debt collector receives a money judgment against you in court, state and federal laws may prevent the following types of income from being taken to pay the debt:

1. Supplemental security income, (SSI);
2. Social security;
3. Public assistance (welfare);
4. Spousal support, maintenance (alimony) or child support;
5. Unemployment benefits;
6. Disability benefits;
7. Workers’ compensation benefits;
8. Public or private pensions;
9. Veterans’ benefits;
10. Federal student loans, federal student grants, and federal work study funds; and
11. Ninety percent of your wages or salary earned in the last sixty days.”

Section 1.4(c) is amended to read as follows:

(c) Substantiation of a charged-off debt shall include [a copy of a judgment against the consumer or]:

(1) the signed contract or signed application that created the debt or, if no signed contract or application exists, a copy of a document provided to the alleged debtor while the account was active, demonstrating that the debt was incurred by the debtor. For a revolving credit account, the most recent monthly statement recording a purchase transaction, payment or balance transfer shall be deemed sufficient to satisfy this requirement;

(2) the charge-off account statement, or equivalent document, issued by the original creditor to the consumer;

(3) a statement describing the complete chain of title from the original creditor to the present creditor, including the date of each assignment, sale, and transfer; and

(4) records reflecting the amount and date of any prior settlement agreement reached in connection with the debt pursuant to section 1.5 of this Part.

Section 1.5(a)(2) is amended to read as follows:

(2) the following notice:

“If a creditor or debt collector receives a money judgment against you in court, state and federal laws may prevent the following types of income from being taken to pay the debt:

1. Supplemental security income, (SSI);
2. Social security;
3. Public assistance (welfare);
4. Spousal support, maintenance (alimony) or child support;
5. Unemployment benefits;
6. Disability benefits;
7. Workers’ compensation benefits;
8. Public or private pensions;
9. Veterans’ benefits;
10. Federal student loans, federal student grants, and federal work study funds; and
11. Ninety percent of your wages or salary earned in the last sixty days.”



NEW YORK STATE
DEPARTMENT *of*
FINANCIAL SERVICES

Andrew M. Cuomo
Governor

Anthony J. Albanese
Acting Superintendent

I, Anthony J. Albanese, Acting Superintendent of Financial Services, do hereby certify that the foregoing is a new amendment to Part 1 of Title 23 of the Official Compilation of Codes, Rules, and Regulations of the State of New York, entitled "Debt Collection By Third-Party Debt Collectors and Debt Buyers", signed by me on the date below pursuant to the authority granted by Sections 202, 302 and 408 of the Financial Services Law, to take effect upon publication in the State Register.

Pursuant to the provision of the State Administrative Procedure Act, prior notice of the proposed rule was published in the State Register on June 10, 2015. No other publication or prior notice is required by statute.


ANTHONY J. ALBANESE
Acting Superintendent of Financial Services

Date: 8/25/14