

New York Legislature Removes Proposed Changes Impacting Creditors From New York's Executive Budget

McGlinchey Consumer Financial Services Alert

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As noted in our [prior alert](#), New York Governor Andrew Cuomo included sweeping changes in his Executive Budget for the fiscal year 2018 that would have dramatically expanded the regulatory reach of the New York Department of Financial Services (DFS) over, among others, direct lenders, marketplace lenders, loan brokers, and student loan servicers. Both houses of the New York Legislature have removed the provisions amending New York's Licensed Lender law from their versions of the budget. Further, the New York Senate has removed the provisions relating to licensure of student loan servicers from its version of the budget. However, the New York State Assembly has not yet eliminated the provisions relating to licensure of student loan servicers from its version of the budget.

Copies of the revised budgets issued by both houses may be found here:

- [New York Senate](#)
- [New York State Assembly](#)

We will continue to monitor changes to New York law relating to the consumer financial services industry and will provide an update in the event that the Legislature reverses course or other relevant legislation is introduced.

If you need assistance in obtaining a consumer financial services license in New York or have questions regarding the issues raised by the proposed amendments, please contact one of the authors of this alert or another member of the firm's [Consumer Financial Services Group](#).