



NEW YORK STATE
DEPARTMENT *of*
FINANCIAL SERVICES

Andrew M. Cuomo
Governor

Maria T. Vullo
Superintendent

September 1, 2016

Michael P. Smith
President and CEO
New York Bankers Association
99 Park Avenue, 4th Floor
New York, NY 10016

William Mellin
President
New York Credit Union Association
P.O. Box 15118
Albany, NY 12212

Dear Mr. Smith and Mr. Mellin:

This letter provides guidance by the Department of Financial Services (the “Department”) on whether the New York City Municipal Identification Card (“Municipal ID”) can be used by banks and credit unions to verify the identity of prospective customers under New York’s customer identification program (“CIP”) requirements for customers who seek to open bank accounts.

The Department is committed to ensuring broad access to financial products and services for all consumers and recognizes the Municipal ID as one method to expand access to financial services in New York. For individuals, access to bank and credit union accounts helps preserve income, leads to savings and asset-building opportunities, and improves access to affordable credit opportunities. Indeed, access to banking services can improve the overall economic well-being of all New Yorkers and the New York economy.

The Department is aware that the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Financial Crimes Enforcement Network and the Office of the Comptroller of the Currency (collectively, the “Federal Agencies”) have previously provided

guidance on this issue in a letter dated April 30, 2015.¹ The federal CIP rule requires banks to have CIPs for account opening that use risk-based procedures for verifying the identity of each customer so that the bank can form a reasonable belief that it knows the true identity of the customer. The minimum information a bank must obtain is the prospective customer's name, date of birth, address and an identification number.²

The CIP rule does not prescribe a specific type of government-issued identification card for use by institutions. Institutions that rely on documentary forms of evidence to verify a customer's identity should have procedures in place to identify the types of documents the institution will accept for such verification. Accordingly, it is the Department's position that institutions may accept the Municipal ID as a means of documentary verification as provided in the institutions' CIP procedures.

The Department encourages New York state-chartered and licensed financial institutions to accept the Municipal ID as a form of acceptable identification card, utilizing procedures applied to all potential customers to assess the risk presented by the customer and any need for additional documentation or information.

Sincerely,



Maria T. Vullo
Superintendent

¹ See Federal Agencies' response letter (April 30, 2015). The Federal Agencies also concluded that the identification number included on all Municipal IDs satisfies the non-U.S. person identification number requirement contained in the federal CIP rules.

² 31 C.F.R. 1020.220; see 3 NYCRR Part 116.2