

4612

2011-2012 Regular Sessions

I N S E N A T E

April 13, 2011

Introduced by Sen. GRIFFO -- read twice and ordered printed, and when printed to be committed to the Committee on Banks

AN ACT to amend the banking law, in relation to the exercise of federally permitted powers by a state chartered banking institution

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. Subdivision 3 of section 12-a of the banking law, as
2 amended by section 88 of part A of chapter 62 of the laws of 2011, is
3 amended to read as follows:
4 3. Except with respect to a federally permitted power approved pursu-
5 ant to subdivision four of this section, prior to any state chartered
6 banking institution initially exercising any federally permitted power
7 pursuant to this section, such banking institution shall make an appli-
8 cation individually or with one or more state chartered banking insti-
9 tutions to the superintendent indicating that such institution or insti-
10 tutions intend to exercise such federally permitted power and the basis
11 on which such institution or institutions believe such power is a feder-
12 ally permitted power. If such application meets the requirements of
13 this section, the superintendent shall, *WITHIN FOURTEEN DAYS OF ITS*
14 RECEIPT, post such application upon the bulletin board of the department
15 pursuant to section forty-two of this article. After promptly reviewing
16 such application, the superintendent shall determine, consistent with
17 the standards set forth in subdivision five of this section, whether to
18 approve such application subject to such terms and conditions as the
19 superintendent may deem appropriate, in the superintendent's sole
20 discretion. Such determination, shall be made by the superintendent
21 within forty-five days after the posting of such application by the
22 superintendent, provided however that the superintendent may notify the
23 applicant or applicants that the review of the application shall be
24 extended for an additional period of time not exceeding one hundred
25 twenty days after the posting of such application, and provided further

EXPLANATION--Matter in *ITALICS* (underscored) is new; matter in brackets
[] is old law to be omitted.

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1 that such period of time may be extended for an additional period of
2 time with the written consent of the applicant or applicants. The super-
3 intendent shall not act upon the application prior to thirty days after
4 such application has been posted. If the superintendent shall determine
5 not to approve of such application, the superintendent shall, WITHIN TEN
6 DAYS OF SUCH DETERMINATION, notify the applicant or applicants in writ-
7 ing that the applicant or applicants may not exercise such federally
8 permitted power. If the superintendent approves such application, the
9 superintendent shall, WITHIN TEN DAYS OF APPROVING THE APPLICATION,
10 notify the applicant or applicants in writing thereof, and the applicant
11 or applicants may exercise such federally permitted power subject to
12 such terms and conditions as the superintendent may have approved. IF
13 THE SUPERINTENDENT DECLINES TO APPROVE SUCH APPLICATION, THE SUPERINTEN-
14 DENT SHALL, WITHIN TEN DAYS OF MAKING SUCH DETERMINATION, NOTIFY THE
15 APPLICANT OR APPLICANTS IN WRITING THEREOF. AN APPLICANT OR APPLICANTS
16 MAY, UPON THE SUPERINTENDENT'S FAILURE TO ACT UPON AN APPLICATION OR
17 PROVIDE NOTICE WITHIN THE TIME PERIODS SET FORTH IN THIS SECTION, PETI-
18 TION THE SUPERINTENDENT TO ACT UPON THE APPLICATION. THE FAILURE OF THE
19 SUPERINTENDENT TO ACT UPON THE APPLICATION OR NOTIFY THE APPLICANT OR
20 APPLICANTS, IN WRITING, AS TO THE REASONS WHY ACTION CANNOT BE TAKEN
21 WITHIN THIRTY DAYS OF RECEIPT OF SUCH PETITION SHALL BE DEEMED APPROVAL
22 OF THE APPLICATION BY THE SUPERINTENDENT. Notwithstanding any other law,
23 the superintendent may make the approval of an application under this
24 section applicable to one or more additional state chartered banking
25 institutions that are qualified to exercise the same federally permitted
26 powers as the applicant or applicants pursuant to subdivision two of
27 this section, subject to such terms and conditions as the superintendent
28 shall find necessary and appropriate.

29 S 2. This act shall take effect immediately, provided, however, that
30 the amendments to subdivision 3 of section 12-a of the banking law made
31 by section one of this act shall not affect the repeal of such section
32 and shall be deemed repealed therewith.