S T A T E   O F   N E W   Y O R K

238--B

2009-2010 Regular Sessions

I N A S S E M B L Y

(PREFILED)

January 7, 2009

Introduced by M. of A. KAVANAGH -- read once and referred to the Committee on Banks -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- again reported from said committee with amendments, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the banking law, in relation to including low income credit unions in the banking development district program

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

Section 1. Subdivision 5 of section 96-d of the banking law, as added by chapter 526 of the laws of 1998, is amended to read as follows:

5. (a) Notwithstanding the provisions of subdivision two of section two hundred thirty-seven of this chapter; for the purposes of this section, paragraph c of subdivision two of section ten of the general municipal law, subdivision six of section one hundred five of the state finance law and section four hundred eighty-five-f of the real property tax law, any reference to a bank, trust company or national bank shall be deemed to include a savings bank, savings and loan association, federal savings and loan association or federal savings bank OR ANY LOW INCOME CREDIT UNION AS DESIGNATED BY SECTION FOUR HUNDRED FIFTY-A OF THIS CHAPTER OR ANY FEDERAL CREDIT UNION THAT HAS BEEN DESIGNATED A LOW INCOME CREDIT UNION BY THE NATIONAL CREDIT UNION ADMINISTRATION; provided, however, that such provisions of law do not grant a savings bank, savings and loan association, federal savings and loan association or federal savings bank OR ANY LOW INCOME CREDIT UNION AS DESIGNATED BY SECTION FOUR HUNDRED FIFTY-A OF THIS CHAPTER OR ANY FEDERAL CREDIT UNION THAT HAS BEEN DESIGNATED A LOW INCOME CREDIT UNION BY THE NATIONAL CREDIT UNION ADMINISTRATION eligibility to accept municipal or public funds or municipal or public moneys other than for the limited purposes of the establishment of a branch in a banking development district pursuant to

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

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this section. Any such municipal or public funds or moneys shall be deposited only at the branch established pursuant to this section, and any municipal funds or moneys may be deposited only by the sponsoring municipality in which the branch and banking development district are located; provided further that any such municipal or public funds or moneys shall be subject to the same requirements which apply to municipal or public funds or moneys deposited in a bank, trust company or national bank and shall also be subject to the provisions of section one hundred five of the state finance law or section ten of the general municipal law relating to such deposits.

(b) Notwithstanding any other provision of law, the banking board shall promulgate rules and regulations to authorize the participation of savings banks, savings and loan associations, federal savings banks and federal savings and loan associations OR ANY LOW INCOME CREDIT UNION AS DESIGNATED BY SECTION FOUR HUNDRED FIFTY-A OF THIS CHAPTER OR ANY FEDERAL CREDIT UNION THAT HAS BEEN DESIGNATED A LOW INCOME CREDIT UNION BY THE NATIONAL CREDIT UNION ADMINISTRATION in the program established pursuant to this section.

S 2. This act shall take effect immediately, provided, however, that the amendments to subdivision 5 of section 96-d of the banking law made by section one of this act shall not affect the repeal of such subdivision and shall be deemed to be repealed therewith.