

4438

2009-2010 Regular Sessions

I N A S S E M B L Y

February 4, 2009

Introduced by M. of A. GREENE -- Multi-Sponsored by -- M. of A. PHEFFER
-- read once and referred to the Committee on Banks

AN ACT to amend the banking law, in relation to assessment of the record of performance of banking institutions in helping to meet the credit needs of local communities

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

1 Section 1. The opening paragraph of paragraph (a) of subdivision 3 of
2 section 28-b of the banking law, as amended by chapter 315 of the laws
3 of 2008, is amended to read as follows:
4 When taking any action on an application made by a banking institution
5 under section one hundred five, two hundred twenty-four, two hundred
6 forty, or three hundred ninety-six of this chapter for a branch office
7 or under section one hundred ninety-one of this chapter for a public
8 accommodation office or under section six hundred one-b of this chapter
9 for approval or disapproval of a merger or purchase of assets, or taking
10 any action on a notice submitted by a banking institution under section
11 one hundred five-a, two hundred forty-a or three hundred ninety-six-a of
12 this chapter for the use or installation of an automated teller machine,
13 point-of-sale terminal or similar electronic facility or on any other
14 application to which the banking board shall by rule or regulation make
15 applicable the provisions of this section, the superintendent shall take
16 into account, among other factors, an assessment, in writing, of the
17 record of performance of the banking institution in helping to meet the
18 credit needs of its entire community, including low and moderate-income
19 neighborhoods, consistent with safe and sound operation of the banking
20 institution. SUCH ASSESSMENT SHALL INCLUDE A SEPARATE DISCUSSION OF THE
21 RECORD OF THE BANKING INSTITUTION PERTAINING TO EACH OF THE ASSESSMENT
22 FACTORS LISTED IN ALL OF THE SUBPARAGRAPHS OF THIS PARAGRAPH AND A
23 COMPLETE EXPLANATION OF HOW EACH OF THESE FACTORS WAS CONSIDERED BY THE
24 DEPARTMENT IN MAKING THE ASSESSMENT. THIS EXPLANATION SHALL INCLUDE, BUT

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

LBD06349-02-9

1 NOT BE LIMITED TO, ANNUAL DATA FOR THE INSTITUTION AS FOLLOWS: LOANS FOR
2 HOUSING LOW AND MODERATE-INCOME RESIDENTS OF LOW AND MODERATE-INCOME
3 AREAS, AND THE SCOPE OF EFFORTS TO MARKET HOUSING AND SMALL BUSINESS
4 LOANS IN LOW AND MODERATE-INCOME AREAS; THE AMOUNT OF LOANS TO FARMS,
5 AND LOANS TO SMALL BUSINESSES THAT PROVIDE SERVICES TO LOW AND MODER-
6 ATE-INCOME RESIDENTS OF LOW AND MODERATE-INCOME AREAS; FINANCIAL INVEST-
7 MENTS IN AND CONTRIBUTIONS TO NONPROFIT LOCAL COMMUNITY DEVELOPMENT OR
8 REDEVELOPMENT PROJECTS OR ENTITIES; MANPOWER RESOURCES COMMITTED TO LOW
9 AND MODERATE-INCOME HOUSING LENDING AND SMALL BUSINESS LENDING AND OTHER
10 FORMS OF ADMINISTRATIVE SUPPORT FOR SUCH LENDING; AND PARTICIPATION IN
11 GOVERNMENTALLY OR PRIVATELY SPONSORED LOAN INSURANCE, GUARANTEE OR
12 SUBSIDY PROGRAMS FOR HOUSING, SMALL BUSINESSES AND SMALL FARMS. Such
13 assessment AND EXPLANATION and any written communications from the bank-
14 ing department to a banking institution relating to such assessment AND
15 EXPLANATION shall be made available to the public upon request, provided
16 that nothing contained in this subdivision shall be deemed to alter,
17 amend or affect the provisions of subdivision ten of section thirty-six
18 of this chapter. In making such assessment AND EXPLANATION, the super-
19 intendent shall review all reports and documents filed WITH HIM OR HER
20 pursuant to subdivision one of this section and any signed, written
21 comments received by the superintendent which specifically relate to the
22 banking institution's performance in helping to meet the credit needs of
23 its community. In addition, the superintendent shall consider the
24 following factors in assessing AND EXPLAINING a banking institution's
25 record of performance:

26 S 2. This act shall take effect on the one hundred twentieth day after
27 it shall have become a law. Effective immediately, the addition, amend-
28 ment and/or repeal of any rules or regulations necessary for the imple-
29 mentation of the foregoing section of this act on its effective date are
30 authorized to be made on or before such effective date.