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

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8157

2011-2012 Regular Sessions

I N   A S S E M B L Y

June 3, 2011
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Introduced by M. of A. ABBATE -- read once and referred to the Committee
  on Banks

AN ACT to amend the banking law, in relation to the definition of bank
  holding company

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

 1   Section 1.   Subdivision 2 of section 142-a of the banking law, as
 2 amended by chapter 217 of the laws of 2010, is amended to read as
 3 follows:
 4   2. As used in this section, the term "control" means the possession,
 5 directly or indirectly, of the power to direct or cause the direction of
 6 the management and policies of a banking institution, whether through
 7 the ownership of voting stock of such banking institution, the ownership
 8 of voting stock of any company which possesses such power or otherwise.
 9 Control shall be presumed to exist if any company, directly or indirect-
10 ly, owns, controls or holds with the power to vote ten per centum or
11 more of the voting stock of any banking institution or of any company
12 which owns, controls or holds with power to vote ten percent or more of
13 the voting stock of such banking institution, but no person shall be
14 deemed to control a banking institution solely by reason of his being an
15 officer or director of such banking institution or company. As used in
16 this section, the terms "bank holding company" and "banking institution"
17 shall have the meanings as defined in section one hundred forty-one of
18 this article, except that the definition of "bank holding company" is
19 modified to change the phrase "a banking institution" wherever it
20 appears therein to "[one] TWO or more banking institutions" and the
21 definition of "banking institution" is modified to add a national bank-
22 ing association, the principal office of which is located in this state.
23   S 2. Paragraph (a) of subdivision 1 of section 105 of the banking law,
24 as amended by chapter 217 of the laws of 2010, is amended to read as
25 follows:

 1   (a) No bank or trust company or officer, director, agent or employee
 2   thereof, shall transact any part of its usual business of banking at any
 3   place other than its principal office, except that a bank or trust
 4   company may open and occupy one or more branch offices at any location
 5   in the state, provided: (i) that the requirements of section twenty-nine
 6   of this chapter are met and (ii) that, except for the city or village in
 7   which its principal office is located, in no event shall a branch be
 8   opened and occupied pursuant to this subdivision in a city or village
 9   with a population of fifty thousand or less in which is already located
10   the principal office of another bank, trust company or national banking
11   association, other than a bank holding company, if such bank holding
12   company is a banking institution, or a banking subsidiary of a bank
13   holding company (as such terms "bank holding company", "banking institu-
14   tion" and "banking subsidiary" are defined in section one hundred
15   forty-one of this chapter) except that the definition of "bank holding
16   company" is modified to change the phrase "a banking institution" wher-
17   ever it appears therein to "[one] TWO or more banking institutions" and
18   the definition of "banking institution" is modified to add a national
19   banking association, the principal office of which institution is
20   located in this state, except, in the case of a conversion pursuant to
21   the provisions of this article, branch offices occupied immediately
22   prior thereto or except for the purpose of acquiring by merger, sale or
23   otherwise the business and property of a bank, trust company or national
24   banking association, whether in liquidation or doing business in the
25   usual course.
26   S 3. Paragraph (c) of subdivision 2 of section 240 of the banking law,
27   as amended by chapter 217 of the laws of 2010, is amended to read as
28   follows:
29   (c) Except for the city or village in which its principal office is
30   located, no branch office may be opened and occupied pursuant to para-
31   graph (a) of this subdivision in any city or village with a population
32   of fifty thousand or less and in which is already located the principal
33   office of a bank, trust company or national banking association, other
34   than a bank holding company, if such bank holding company is a banking
35   institution, or a banking subsidiary of a bank holding company, as such
36   terms "bank holding company", "banking institution" and "banking subsid-
37   iary" are defined in section one hundred forty-one of this chapter
38   except that the definition of "bank holding company" is modified to
39   change the phrase "a banking institution" wherever it appears therein to
40   "[one] TWO or more banking institutions" and the definition of "banking
41   institution" is modified to add a national banking association, the
42   principal office of which institution is located in this state.
43   S 4. Paragraph (b) of subdivision 2 of section 396 of the banking law,
44   as amended by chapter 217 of the laws of 2010, is amended to read as
45   follows:
46   (b) Except for the city or village in which its principal office is
47   located, no branch office may hereafter be opened and occupied pursuant
48   to paragraph (a) of this subdivision in any city or village with a popu-
49   lation of less than thirty thousand and in which is already located the
50   principal office of a bank, trust company or national banking associ-
51   ation, other than a bank holding company, if such bank holding company
52   is a banking institution, or a banking subsidiary of a bank holding
53   company, as such terms "bank holding company", "banking institution" and
54   "banking subsidiary" are defined in section one hundred forty-one of
55   this chapter except that the definition of "bank holding company" is
56   modified to change the phrase "a banking institution" wherever it

1 appears therein to "[one] TWO or more banking institutions" and the
2 definition of "banking institution" is modified to add a national bank-
3 ing association, the principal office of which institution is located in
4 this state.
5   S 5. This act shall take effect immediately.