

6738--A

Cal. No. 476

I N S E N A T E

March 15, 2012

Introduced by Sens. SEWARD, GRIFFO -- (at request of the Department of Financial Services) -- read twice and ordered printed, and when printed to be committed to the Committee on Banks -- reported favorably from said committee, ordered to first and second report, ordered to a third reading, amended and ordered reprinted, retaining its place in the order of third reading

AN ACT to amend the banking law, the business corporation law, the civil practice law and rules, the education law, the executive law, the general municipal law, the insurance law, the limited liability company law, the not-for-profit corporation law, the partnership law, the personal property law, the private housing finance law, the public authorities law, the public health law, the public officers law, the real property law, the real property actions and proceedings law, the real property tax law and the state finance law, in relation to the consolidation of the banking and insurance departments; and to repeal certain provisions of the real property law and the defense emergency act of 1951, relating thereto

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

1 Section 1. Paragraph (c) of subdivision 2 of section 6-k of the bank-
2 ing law, as added by chapter 563 of the laws of 1992 and as further
3 amended by section 104 of part A of chapter 62 of the laws of 2011, is
4 amended to read as follows:
5 (c) Every mortgage investing institution shall deposit funds from a
6 real property insurance escrow account of a mortgagor in a banking
7 institution whose deposits are insured by a federal agency or a licensed
8 branch of a foreign banking corporation whose deposits are insured by a
9 federal agency. Notwithstanding the foregoing provisions of this subdivi-
10 sion, the superintendent [of financial services] shall have the
11 power[, by a three-fifths vote of all its members,] to exempt from the
12 requirements of this subdivision any banking organization which does not
13 receive deposits or share accounts from the general public.
14 S 2. Subdivisions 2, 3, 4 and 5 of section 14-a of the banking law, as
15 added by chapter 883 of the laws of 1980 and such subdivisions as

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

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1 further amended by section 104 of part A of chapter 62 of the laws of
2 2011, are amended to read as follows:

3 2. The rate of interest as so prescribed under this section shall
4 include as interest any and all amounts paid or payable, directly or
5 indirectly, by any person, to or for the account of the lender in
6 consideration for the making of a loan or forbearance as defined by the
7 superintendent [of financial services] pursuant to subdivision three of
8 this section.

9 3. The superintendent [of financial services] shall have the power[,
10 by a three-fifths vote of all its members,] to adopt such regulations as
11 [it] THE SUPERINTENDENT shall deem necessary or proper to implement the
12 provisions of this section. The superintendent [of financial services]
13 shall make available to the public copies of all regulations adopted
14 pursuant to this section.

15 4. Such regulations as shall have been adopted pursuant to the
16 provisions of this chapter and in effect immediately prior to the effec-
17 tive date of this section, shall continue in effect until such time as
18 new regulations shall have been adopted by the superintendent [of finan-
19 cial services] and shall become effective.

20 5. Whenever reference is made in this chapter or in any other law,
21 contract or document to the rate of interest prescribed or to be
22 prescribed by the superintendent [of financial services or the super-
23 intendent] pursuant to this section or any former section fourteen-a of
24 this chapter, such reference shall be deemed a reference to the rate of
25 interest prescribed in subdivision one of this section.

26 S 3. Subdivisions 1, 2 and 3 of section 14-b of the banking law,
27 subdivision 1 as amended by chapter 267 of the laws of 1987, subdivi-
28 sions 2 and 3 as amended by chapter 342 of the laws of 1986 and such
29 subdivisions as further amended by section 104 of part A of chapter 62
30 of the laws of 2011, are amended to read as follows:

31 1. The superintendent [of financial services] shall have the power to
32 prescribe, from time to time but not more often than once in every three
33 month period, [by a three-fifths vote of all its members,] by regulation
34 a minimum rate of, and method or basis of computing, interest that a
35 mortgage investing institution shall be required to pay on each escrow
36 account maintained with respect to a mortgage on a one to six family
37 residence occupied by the owner or on any property owned by a cooper-
38 ative apartment corporation, as defined in subdivision twelve of section
39 three hundred sixty of the tax law, (as such subdivision was in effect
40 on December thirtieth, nineteen hundred sixty), and located in this
41 state, which rate shall be greater than the rate of interest required to
42 be paid under section 5-601 or 5-602 of the general obligations law.

43 2. In making such determination the superintendent [of financial
44 services] shall consider pertinent economic and cost factors including,
45 but not limited to: (i) current yields on short term investments, (ii)
46 current dividend rates paid on regular savings accounts throughout this
47 state, (iii) currently prevailing interest rates on conventional and
48 insured or guaranteed mortgage loans in this state, (iv) cost factors in
49 maintaining escrow accounts and (v) such other pertinent economic or
50 cost factors that the superintendent [of financial services] shall deem
51 to be appropriate. Prior to the [superintendent of financial services']
52 SUPERINTENDENT'S prescription of any such minimum rate of interest, the
53 superintendent shall [make a written recommendation to the superinten-
54 dent of financial services as to such minimum rate of interest, recit-
55 ing] ISSUE A STATEMENT IN WRITING SETTING FORTH the economic and cost
56 data and criteria upon which such [recommendation] DETERMINATION is

1 based. Prior to making such [recommendation] DETERMINATION, the super-
2 intendent may invite presentation, by interested persons, of information
3 and data relating to economic and cost factors relevant to such minimum
4 rate of interest.

5 3. The superintendent [of financial services] may promulgate such
6 regulations as [it] THE SUPERINTENDENT deems necessary and proper to
7 implement and define the provisions of this section. The superintendent
8 [of financial services] may prescribe the minimum rate of interest from
9 time to time, but not more often than once in any three-month period,
10 and shall provide reasonable notice to the public of any change in the
11 rate of interest, of the effective date of such change, which shall be
12 not less than seven days following the adoption of such change by the
13 superintendent [of financial services], and of any rule or regulation
14 adopted pursuant to this subdivision.

15 S 4. Section 14-e of the banking law, as added by chapter 1 of the
16 laws of 1984, subdivision 2 as amended by section 1 of part 0 of chapter
17 59 of the laws of 2006 and the section heading, the opening and closing
18 paragraphs of subdivision 1 and subdivisions 2 and 3 as further amended
19 by section 104 of part A of chapter 62 of the laws of 2011, is amended
20 to read as follows:

21 S 14-e. Power of the superintendent [of financial services] to author-
22 ize the operation of savings banks and savings and loan associations in
23 stock form.

24 1. Notwithstanding any other provision of law to the contrary, the
25 superintendent [of financial services] is authorized[, by a three-fifths
26 vote of all its members,] to promulgate such rules and regulations as
27 shall facilitate:

28 (a) The organization and operation of stock-form savings banks and
29 stock-form savings and loan associations,

30 (b) The conversion of mutual savings banks and savings and loan asso-
31 ciations to stock form, and

32 (c) Mergers and acquisitions of assets or of capital stock between and
33 among all of the foregoing banking institutions and between and among
34 such institutions and any other banking institution.

35 The superintendent [of financial services] is authorized to define and
36 implement, by [general] regulation, the terms and provisions of this
37 section. In adopting such regulations, the superintendent [of financial
38 services] shall take into account the declaration of policy contained in
39 section one of a chapter of the laws of nineteen hundred eighty-four
40 entitled "An Act to amend the banking law, in relation to the organiza-
41 tion and incorporation of stock-form savings banks and stock-form
42 savings and loan associations and the conversion of mutual savings banks
43 and mutual savings and loan associations to stock form". In connection
44 with such regulations, the superintendent [of financial services] is
45 empowered to apply to such stock-form organizations any provision of
46 this chapter, in whole or in part, as shall be applicable to any other
47 stock-form banking organization and to vary any condition, requirement
48 or provision of THIS ARTICLE OR article [two,] fifteen or sixteen of
49 this chapter.

50 2. Such applications as the superintendent [of financial services] may
51 prescribe under paragraph (a), (b) or (c) of subdivision one of this
52 section shall each be accompanied by an investigation fee as prescribed
53 pursuant to section eighteen-a of this article.

54 3. Without limiting the foregoing, the superintendent [of financial
55 services], if [it] THE SUPERINTENDENT shall determine that unusual and
56 extraordinary circumstances exist, shall be authorized, by resolution[,

1 special] or [general] regulation, to apply or to deem inapplicable to
2 any banking institution referred to in subdivision one of this section,
3 such provisions of this chapter in whole or in part, as it shall find
4 appropriate in connection with the organization, operation, conversion,
5 merger or any other transaction involving a stock-form savings bank or
6 stock-form savings and loan association, provided, however, that such
7 actions are in harmony with the spirit of the law and are necessary
8 because of the existence of such circumstances.

9 S 5. Subdivisions 4 and 5 of section 18-a of the banking law, as added
10 by section 1 of part D-1 of chapter 109 of the laws of 2006, the opening
11 paragraphs of such subdivisions as further amended by section 104 of
12 part A of chapter 62 of the laws of 2011, are amended to read as
13 follows:

14 4. The fee which shall be imposed for any application for an initial
15 license, registration, incorporation or for the formation of any other
16 entity pursuant to this chapter, or for a merger, acquisition, purchase
17 or sale of assets, change of control, or for any other application
18 requiring the approval of the superintendent [or the superintendent of
19 financial services] that may necessitate, as determined by the super-
20 intendent, a determination regarding the character or fitness and/or the
21 safety and soundness of such applicant or a similar investigative under-
22 taking by the department, shall be:

23 (a) twelve thousand five hundred dollars when such application relates
24 to a banking organization, bank holding company or, except as provided
25 in paragraph (b) of this subdivision, a foreign banking corporation;

26 (b) seven thousand five hundred dollars when such application relates
27 to licensing a branch, agency or representative office of a foreign
28 banking corporation;

29 (c) one thousand five hundred dollars when the application relates to
30 a mortgage broker; or

31 (d) three thousand dollars for all other such applications.

32 5. The fee for any OTHER application requiring the approval of the
33 superintendent [or the superintendent of financial services], including,
34 but not limited to, any application required to change the name of the
35 applicant, open branches or offices or additional locations, or relocate
36 an existing branch, office, or location, and any other application not
37 subject to subdivision four of this section, shall be:

38 (a) seven hundred fifty dollars when the application relates to a
39 banking organization, bank holding company, out-of-state state bank,
40 foreign credit union, or foreign banking corporation;

41 (b) two thousand dollars when the application relates to the licensing
42 of an additional location or change of location or the licensing of a
43 mobile unit of a licensed casher of checks; or

44 (c) five hundred dollars for all other such applications.

45 S 6. Section 26 of the banking law, as amended by chapter 315 of the
46 laws of 2008 and as further amended by section 104 of part A of chapter
47 62 of the laws of 2011, is amended to read as follows:

48 S 26. Licenses to foreign banking corporations; renewal. Upon receipt
49 of an application in proper form of any foreign banking corporation for
50 leave to do business in this state under the provisions of article five
51 of this chapter, the superintendent, if he or she shall find after
52 investigation and examination of what he or she deems to be the best
53 sources of information that the character, responsibility and general
54 fitness of the person or persons named in such application are such as
55 to command confidence and warrant belief that the business of such
56 foreign banking corporation will be honestly and efficiently conducted

1 in accordance with the intent and purpose of this chapter and that the
2 public convenience and advantage will be promoted by granting such
3 foreign banking corporation leave to do business in this state, shall
4 [submit such application to the superintendent of financial services
5 together with a summary of the results of such investigation. If three-
6 fifths of the members of the board shall vote for approval of such
7 application, the superintendent shall] execute and issue a license under
8 the official seal of the department authorizing such applicant to carry
9 on such business at the place designated in the license. Such license
10 shall be executed in triplicate and the superintendent shall cause one
11 copy to be transmitted to the applicant, another to be filed in the
12 office of the department and the third to be filed in the office of the
13 clerk of the county in which the place of business designated in such
14 license is located. A license issued to such foreign banking corporation
15 pursuant to this section shall remain in full force and effect until
16 surrendered or revoked.

17 S 7. Subdivision 3 of section 32 of the banking law, as added by chap-
18 ter 618 of the laws of 1976 and as further amended by section 104 of
19 part A of chapter 62 of the laws of 2011, is amended to read as follows:

20 3. Notwithstanding the foregoing provisions of this section, the
21 superintendent [of financial services] shall have the power[, by a
22 three-fifths vote of all its members,] to promulgate such [general or
23 specific] regulations as [it] THE SUPERINTENDENT deems necessary and
24 proper (a) to implement and define the provisions of this section, (b)
25 to exempt from the requirements of this section any banking organization
26 which does not receive deposits or share accounts from the general
27 public, and (c) for good cause shown, to extend for up to two years the
28 period within which any banking organization must comply with the
29 requirements of subdivision one of this section.

30 S 8. Subdivision 3 of section 39 of the banking law, as amended by
31 section 1 of part FF of chapter 59 of the laws of 2004 and as further
32 amended by section 104 of part A of chapter 62 of the laws of 2011, is
33 amended to read as follows:

34 3. To make good impairment of capital or to ensure compliance with
35 financial requirements. Whenever it shall appear to the superintendent
36 that the capital or capital stock of any banking organization, bank
37 holding company or any subsidiary thereof which is organized, licensed
38 or registered pursuant to this chapter, is impaired, or the financial
39 requirements imposed by subdivision one of section two hundred two-b of
40 this chapter or any regulation of the superintendent [or the superinten-
41 dent of financial services] on any branch or agency of a foreign banking
42 corporation or the financial requirements imposed by this chapter or any
43 regulation of the superintendent [or superintendent of financial
44 services] on any licensed lender, registered mortgage broker, licensed
45 mortgage banker, licensed casher of checks, licensed sales finance
46 company, licensed insurance premium finance agency, licensed transmitter
47 of money, licensed budget planner or private banker are not satisfied,
48 [he or she] THE SUPERINTENDENT may, in [his or her] THE SUPERINTENDENT'S
49 discretion, issue an order directing that such banking organization,
50 bank holding company, branch or agency of a foreign banking corporation,
51 registered mortgage broker, licensed mortgage banker, licensed lender,
52 licensed casher of checks, licensed sales finance company, licensed
53 insurance premium finance agency, licensed transmitter of money,
54 licensed budget planner, or private banker make good such deficiency
55 forthwith or within a time specified in such order.

1 S 9. Paragraph (a) of subdivision 1 and paragraph (a) of subdivision 2
2 of section 44 of the banking law, paragraph (a) of subdivision 1 as
3 amended by chapter 123 of the laws of 2009, paragraph (a) of subdivision
4 2 as amended by chapter 702 of the laws of 2006, and such paragraphs as
5 further amended by section 104 of part A of chapter 62 of the laws of
6 2011, are amended to read as follows:

7 (a) Without limiting any power granted to the superintendent under any
8 other provision of this chapter, the superintendent may, in a proceeding
9 after notice and a hearing, require any safe deposit company, licensed
10 lender, licensed casher of checks, licensed sales finance company,
11 licensed insurance premium finance agency, licensed transmitter of
12 money, licensed mortgage banker, registered mortgage broker, licensed
13 mortgage loan originator, registered mortgage loan servicer or licensed
14 budget planner to pay to the people of this state a penalty for any
15 violation of this chapter, any regulation promulgated thereunder, any
16 final or temporary order issued pursuant to section thirty-nine of this
17 article, any condition imposed in writing by the superintendent [or
18 superintendent of financial services] in connection with the grant of
19 any application or request, or any written agreement entered into with
20 the superintendent.

21 (a) Without limiting any power granted to the superintendent under any
22 other provision of this chapter, the superintendent may, in a proceeding
23 after notice and hearing, require any banking organization, bank holding
24 company out-of-state state bank that maintains a branch or branches or
25 representative or other offices in this state, or foreign banking corpo-
26 ration licensed by the superintendent to maintain a branch, agency or
27 representative office in this state to pay to the people of this state a
28 penalty for any violation of this chapter, any regulation promulgated
29 thereunder, any final or temporary order issued pursuant to section
30 thirty-nine of this article, any condition imposed in writing by the
31 superintendent [or superintendent of financial services] in connection
32 with the grant of any application or request, or any written agreement
33 entered into with the superintendent. For purposes of this section, any
34 reference to a "banking organization" shall be deemed to exclude a safe
35 deposit company and any reference to a "foreign bank licensee" shall be
36 deemed to include an out-of-state state bank that maintains a branch or
37 branches or representative or other offices in this state and a foreign
38 banking corporation licensed to maintain a branch, agency or represen-
39 tative office in this state.

40 S 10. Subdivision 10 of section 96 of the banking law, as amended by
41 chapter 259 of the laws of 1994 and as further amended by section 104 of
42 part A of chapter 62 of the laws of 2011, is amended to read as follows:

43 10. To exercise, subject to such regulations as may be issued from
44 time to time by the superintendent [of financial services], through any
45 foreign branch office (other than one opened or occupied in another
46 state of the United States, the District of Columbia, any territory of
47 the United States, Guam, American Samoa, the United States Virgin
48 Islands, and the Northern Mariana Islands) opened and occupied with the
49 approval of the superintendent [and the superintendent of financial
50 services] as provided in section one hundred five of this [chapter]
51 ARTICLE, such further powers as may be usual in connection with the
52 transaction of the business of banking in the place where such foreign
53 branch office shall transact business, provided that no such foreign
54 branch office shall engage in the general business of producing,
55 distributing, buying or selling goods, wares, or merchandise, nor,
56 except with respect to securities issued by any foreign nation or any

1 political subdivision, agency or instrumentality thereof, engage or
2 participate, directly or indirectly, in the business of underwriting,
3 selling or distributing securities.

4 S 11. The opening paragraph of subdivision 5 of section 97 of the
5 banking law, as amended by chapter 566 of the laws of 2004 and such
6 subdivision as further amended by section 104 of part A of chapter 62 of
7 the laws of 2011, is amended to read as follows:

8 So much of the capital stock of, or any other equity interest in, any
9 other corporations, partnerships, unincorporated associations, limited
10 liability companies, or other entities as may be specifically authorized
11 by the laws of this state or by [resolution of] the superintendent [of
12 financial services], or [by] regulations promulgated by the superinten-
13 dent [of financial services, upon a three-fifths vote of all its
14 members].

15 S 12. Paragraph (d) of subdivision 1 of section 98 of the banking law,
16 as amended by chapter 512 of the laws of 1977 and as further amended by
17 section 104 of part A of chapter 62 of the laws of 2011, is amended to
18 read as follows:

19 (d) Such [as may be specifically authorized by resolution of the
20 superintendent of financial services upon a three-fifths vote of all its
21 members, provided, however, that the superintendent of financial
22 services upon a three-fifths vote of all its members may delegate to the
23 superintendent the authority to approve the] purchase, lease, conveyance
24 or other acquisition or sale of real property which is located outside
25 the United States, its territories and possessions, and which is used
26 principally as the residence of one or more directors, officers, or
27 employees of the bank or trust company AS MAY BE SPECIFICALLY APPROVED
28 BY THE SUPERINTENDENT.

29 S 13. Subdivision 2 of section 104 of the banking law, as amended by
30 chapter 664 of the laws of 1958 and as further amended by section 104 of
31 part A of chapter 62 of the laws of 2011, is amended to read as follows:

32 2. The stocks, bonds and other interest-bearing securities purchased
33 by a bank or trust company shall be entered on its books at the actual
34 cost thereof, and shall not thereafter be carried upon the books at a
35 valuation exceeding their cost as adjusted by amortization for the
36 purpose of bringing them to par at maturity except that the same may be
37 carried at cost if appropriate amortization reserve is set up for the
38 purpose of bringing them to par at maturity. Where securities purchased
39 at a premium are callable prior to maturity, the rate of amortization
40 thereof shall be increased where necessary to such extent as shall
41 reduce the amount at which such securities are carried upon the books to
42 the call price at the date or dates upon which a call may be made;
43 provided, however, that no adjustment for amortization or amortization
44 reserve shall be required to be made on the books except when net
45 profits are computed. The superintendent [of financial services] may by
46 [general] regulation [adopted by a three-fifths vote of all its members]
47 vary the requirements of this subdivision to permit the amortization of
48 premiums at the same rate as that required by federal tax statutes or
49 regulations.

50 S 14. Paragraphs (a) and (c) of subdivision 8 of section 108 of the
51 banking law, as added by chapter 344 of the laws of 1974, such subdivi-
52 sion as renumbered by chapter 512 of the laws of 1977 and as further
53 amended by section 104 of part A of chapter 62 of the laws of 2011, are
54 amended to read as follows:

55 (a) The superintendent [of financial services] shall have the power[,
56 by a three-fifths vote of all its members,] to prescribe by regulation

1 (i) the maximum charge which may be imposed in this state by a bank or
2 trust company in connection with a check or other written order drawn
3 upon it on insufficient funds, irrespective of whether the instrument is
4 paid, accepted, or returned by the bank, and (ii) the maximum charge
5 which may be imposed in this state by a bank or trust company in
6 connection with a check or other written order received by it for depos-
7 it or collection and subsequently dishonored and returned for any reason
8 by the drawee.

9 (c) In prescribing a maximum charge pursuant to paragraph (a) of this
10 subdivision, the superintendent [of financial services] shall consider
11 the following factors: (i) the cost of processing an overdraft or
12 returned check or order, as the case may be, (ii) the charge necessary
13 to deter overdrafts or returned checks or orders, as the case may be,
14 and (iii) such other economic or cost factors that the superintendent
15 [of financial services] shall deem to be appropriate. Prior to the
16 [superintendent of financial services'] SUPERINTENDENT'S prescribing any
17 such maximum charge, the superintendent shall [make] ISSUE a written
18 [recommendation to the superintendent of financial services] DETERMI-
19 NATION as to such maximum charge, reciting the cost and other data upon
20 which [his recommendation] THE DETERMINATION is based.

21 S 15. Paragraph (c) of subdivision 7 of section 130 of the banking
22 law, as added by chapter 299 of the laws of 1969 and as further amended
23 by section 104 of part A of chapter 62 of the laws of 2011, is amended
24 to read as follows:

25 (c) The superintendent [of financial services] shall have power [by
26 three-fifths vote of all its members] to adopt such regulations as [it]
27 THE SUPERINTENDENT shall deem necessary or proper to implement the
28 provisions of this section.

29 S 16. Section 140-a of the banking law, as amended by chapter 291 of
30 the laws of 1987 and as further amended by section 104 of part A of
31 chapter 62 of the laws of 2011, is amended to read as follows:

32 S 140-a. Stock option plans. Subject to such regulations and
33 restrictions as may be prescribed by the superintendent [of financial
34 services by a three-fifths vote of all the members thereof], every bank
35 and every trust company may grant options to purchase authorized and
36 unissued shares of its capital stock to officers, directors and employ-
37 ees, for a consideration as authorized by section five thousand four of
38 this chapter of not less than one hundred per cent of the fair market
39 value of the shares on the date the option is granted, pursuant to the
40 terms of a stock option plan which has previously been adopted by the
41 board of directors of the bank or trust company and approved by the
42 holders of a majority of the outstanding shares of capital stock of the
43 bank or trust company and by the superintendent. Stock options issued
44 hereunder shall not extend beyond a period of ten years from date of
45 issuance.

46 S 17. Paragraph (b) of subdivision 2 of section 143 of the banking
47 law, as amended by chapter 217 of the laws of 2010 and as further
48 amended by section 104 of part A of chapter 62 of the laws of 2011, is
49 amended to read as follows:

50 (b) The superintendent [of financial services] shall have the power to
51 determine by regulation who shall be considered, under the provisions of
52 this subdivision, to be an executive officer, and by [a general or
53 specific] regulation[, upon a three-fifths vote of all its members,] to
54 grant permission to an executive officer of a bank holding company to be
55 at the same time an executive officer, director or trustee or both an
56 executive officer and a director or a trustee of another bank holding

1 company or of a bank or trust company, savings bank, savings and loan
2 association, national bank located in this state, federal savings and
3 loan association located in this state or foreign banking corporation
4 maintaining a branch in this state. Such permission may be granted only
5 if in the judgment of the superintendent [of financial services] such
6 service by the executive officer will be consistent with the policy of
7 the state of New York as declared in section ten of this chapter. The
8 superintendent [of financial services] shall have the power to revoke
9 such permission [by a like vote] whenever [it] THE SUPERINTENDENT finds,
10 after a reasonable notice and an opportunity to be heard, that the
11 public interest requires such revocation.

12 S 18. Subdivision 3 of section 143-a of the banking law, as amended by
13 chapter 217 of the laws of 2010 and as further amended by section 104 of
14 part A of chapter 62 of the laws of 2011, is amended to read as follows:

15 3. If no action to be taken pursuant to the plan of acquisition
16 requires [the prior] approval of the superintendent [of financial
17 services] pursuant to section one hundred forty-three-b of this article,
18 the superintendent shall approve or disapprove of a proposed plan of
19 acquisition within one hundred twenty days after the submission of such
20 plan of acquisition, and in determining whether or not to approve any
21 such plan the superintendent shall take into consideration the declara-
22 tion of policy contained in section ten of this chapter. [If any action
23 to be taken pursuant to the plan of acquisition requires such prior
24 approval of the superintendent of financial services, the superintendent
25 shall submit such plan of acquisition together with his or her recommen-
26 dations in regard thereto and all papers, correspondence and other
27 information in his or her possession and relating thereto, to the super-
28 intendent of financial services for its approval or disapproval as part
29 of the application submitted to it pursuant to such section one hundred
30 forty-three-b.] If the superintendent [or the superintendent of finan-
31 cial services, as required,] shall approve such plan of acquisition, the
32 superintendent shall file the plan, together with such certificates and
33 the original of the approval of the superintendent [or a certified copy
34 of the approving resolution of the superintendent of financial
35 services,] in the office of the superintendent. Upon such filing in the
36 office of the superintendent, the plan, and the acquisitions provided
37 for therein, shall become effective, unless a later date is specified in
38 the plan, in which event the plan and such acquisitions shall become
39 effective upon such later date.

40 S 19. Subdivisions 1, 2 and 3 of section 143-b of the banking law,
41 subdivision 1 as amended by chapter 217 of the laws of 2010, subdivision
42 2 as amended by section 20 of part 0 of chapter 59 of the laws of 2006,
43 subdivision 3 as amended by chapter 793 of the laws of 1980 and such
44 subdivisions as further amended by section 104 of part A of chapter 62
45 of the laws of 2011, are amended to read as follows:

46 1. It shall be unlawful except with the prior approval of the super-
47 intendent [of financial services by a three-fifths vote of all the
48 members thereof] for any company to acquire control of any banking
49 institution, directly or indirectly, provided, however, that the
50 provisions of this section shall not apply to a company which has
51 submitted to the superintendent a plan of acquisition pursuant to
52 section one hundred forty-three-a of this article for an acquisition not
53 involving a change of control of the banking institution. As used in
54 this section, the term "control" means the possession, directly or indi-
55 rectly, of the power to direct or cause the direction of the management
56 and policies of a banking institution, whether through the ownership of

1 voting stock of such banking institution, the ownership of voting stock
2 of any company which possesses such power or otherwise. Control shall
3 be presumed to exist if any company, directly or indirectly, owns,
4 controls or holds with the power to vote ten per centum or more of the
5 voting stock of any banking institution or of any company which owns,
6 controls or holds with power to vote ten per centum or more of the
7 voting stock of such banking institution, but no person shall be deemed
8 to control a banking institution solely by reason of his or her being an
9 officer or director of such banking institution or company. The super-
10 intendent may in [his or her] THE SUPERINTENDENT'S discretion, upon the
11 application of a banking institution or any company which, directly or
12 indirectly, owns, controls or holds with power to vote or seeks to own,
13 control or hold with power to vote any voting stock of such banking
14 institution, determine whether or not the ownership, control or holding
15 of such voting stock would constitute control of such banking institu-
16 tion for purposes of this section.

17 2. A company desiring to acquire control of a banking institution may
18 file application therefor, in writing, with the superintendent and pay
19 an investigation fee as prescribed pursuant to section eighteen-a of
20 this chapter to the superintendent. The application shall contain such
21 information as the superintendent [or superintendent of financial
22 services], by rule or regulation, may prescribe as necessary or appro-
23 priate for the purpose of making the determination required by subdivi-
24 sion three of this section.

25 3. Upon receipt of such application, the superintendent shall post
26 notice of the receipt thereof upon the bulletin board of the department
27 of financial services. The superintendent shall [submit such application
28 together with his recommendation in regard thereto and all papers,
29 correspondence and other information in his possession and relating
30 thereto, to the superintendent of financial services which shall] by
31 order grant or deny the application and shall state the reasons for such
32 grant or denial. [An order granting such application may be made only by
33 three-fifths votes of all the members thereof.] An order shall be issued
34 within one hundred twenty days after the date of the submission of the
35 application to the superintendent and a copy thereof shall be posted
36 upon the bulletin board of the department of financial services. In
37 determining whether or not to approve any such application, the super-
38 intendent [of financial services] shall take into consideration (i) the
39 declaration of policy contained in section ten of the chapter, (ii)
40 whether the effect of such action shall be consistent with adequate or
41 sound banking and the preservation thereof, or result in a consolidation
42 of assets beyond limits consistent with effective competition, (iii)
43 whether such acquisition of control may result in such a lessening of
44 competition as to be injurious to the interest of the public or tend
45 toward monopoly, and (iv) primarily, the public interest and the needs
46 and convenience thereof.

47 S 20. Section 195 of the banking law, as added by chapter 1064 of the
48 laws of 1960 and as further amended by section 104 of part A of chapter
49 62 of the laws of 2011, is amended to read as follows:

50 S 195. Rules, regulations and orders. The superintendent [of financial
51 services by a three-fifths vote of all the members thereof] shall have
52 power to adopt, amend and enforce such rules, regulations and orders as
53 [it] THE SUPERINTENDENT may deem necessary to enable [it] THE SUPER-
54 INTENDENT to administer and carry out the provisions of this article and
55 to prevent evasions thereof.

1 S 21. Subdivision 1 of section 201-a of the banking law, as amended by
2 chapter 120 of the laws of 1968 and as further amended by section 104 of
3 part A of chapter 62 of the laws of 2011, is amended to read as follows:

4 1. When the superintendent shall have issued a license as provided in
5 section twenty-six of this chapter to any such foreign banking corpo-
6 ration, it may engage in the business specified in sections two hundred
7 and two hundred one of this article either as an agency or as a branch
8 at the location specified in such license for a period not exceeding one
9 year from the date of such license or, if such license so provides,
10 until such license is surrendered or revoked. A license issued for a
11 period not exceeding one year may, upon the approval of the superinten-
12 dent [and the superintendent of financial services], be renewed as
13 provided in section twenty-six of this chapter. No such license shall be
14 transferable or assignable. Every such license shall be at all times
15 conspicuously displayed in the place of business specified therein. In
16 the event that such license shall have been revoked by the superinten-
17 dent, as provided in article two of this chapter, it shall be surren-
18 dered to the superintendent within twenty-four hours after such corpo-
19 ration has received written notice of such revocation.

20 S 22. Subdivisions 1 and 2 of section 202-b of the banking law, as
21 amended by chapter 131 of the laws of 2002 and subdivision 2 as amended
22 by chapter 496 of the laws of 1993 and such subdivisions as further
23 amended by section 104 of part A of chapter 62 of the laws of 2011, are
24 amended to read as follows:

25 1. Upon opening a branch or agency and thereafter, a foreign banking
26 corporation licensed pursuant to article two of this chapter shall keep
27 on deposit, in accordance with such rules and regulations as the super-
28 intendent [of financial services] SHALL ADOPT shall from time to time
29 [promulgate by a three-fifths vote of all the members thereof], with
30 such banks or trust companies or private bankers or national banks in
31 the state of New York as such foreign banking corporation may designate
32 and the superintendent may approve, interest-bearing stocks and bonds,
33 notes, debentures, or other obligations of the United States or any
34 agency or instrumentality thereof, or guaranteed by the United States,
35 or of this state, or of a city, county, town, village, school district,
36 or instrumentality of this state or guaranteed by this state, or dollar
37 deposits, or obligations of the International Bank for Reconstruction
38 and Development, or obligations issued by the Inter-American Development
39 Bank, or obligations of the Asian Development Bank, or obligations
40 issued by the African Development Bank, or obligations issued by the
41 International Finance Corporation, or bonds, notes, debentures, or other
42 obligations issued by or guaranteed by the Federal Home Loan Mortgage
43 Corporation (Freddie Mac) or by the Federal National Mortgage Corpo-
44 ration (Fannie Mae), or bonds, notes, debentures, or other obligations
45 issued by or guaranteed by the Student Loan Marketing Association
46 (SALLIE MAE) or all bonds, notes, debentures, or other obligations
47 issued by or guaranteed by a federal home loan bank, or bonds, notes,
48 debentures or other obligations of any unaffiliated issuer provided
49 that, at the time of such investment, the obligation has received the
50 highest rating of an independent rating service designated by the super-
51 intendent [of financial services] or, if the obligation is rated by more
52 than one such service, the highest rating of at least two such services,
53 or such other assets as the superintendent shall by rule or regulation
54 permit, to an aggregate amount to be determined by the superintendent,
55 based upon principal amount or market value, whichever is lower, in the
56 case of the above-described securities, and subject to such limitations

1 as [he or she] THE SUPERINTENDENT shall prescribe; provided, however,
2 that the superintendent may determine, in [his or her] THE SUPERINTEN-
3 DENT'S discretion, that any such bonds, notes, debentures or other obli-
4 gations of a particular issuer are not acceptable for purposes of meet-
5 ing the requirements of this subdivision. The superintendent may from
6 time to time require that the assets deposited pursuant to this subdivi-
7 sion may be maintained by the foreign banking corporation at such
8 amount, in such form and subject to such conditions as he or she shall
9 deem necessary or desirable for the maintenance of a sound financial
10 condition, the protection of depositors and the public interest, and to
11 maintain public confidence in the business of such branch or branches or
12 such agency or agencies. The superintendent may give credit to reserves
13 required to be maintained with a federal reserve bank in or outside the
14 state of New York pursuant to federal law, subject to such rules and
15 regulations as the superintendent may from time to time promulgate. So
16 long as it shall continue business in the ordinary course, such foreign
17 banking corporation shall be permitted to collect interest on the secu-
18 rities so deposited and from time to time exchange, examine and compare
19 such securities.

20 2. Each foreign banking corporation shall hold in this state currency,
21 bonds, notes, debentures, drafts, bills of exchange or other evidences
22 of indebtedness, including loan participation agreements or certifi-
23 cates, or other obligations payable in the United States or in United
24 States funds or, with the prior approval of the superintendent, in funds
25 freely convertible into United States funds, or such other assets as the
26 superintendent shall by rule or regulation permit, in an amount which
27 shall bear such relationship as the superintendent [of financial
28 services] shall by regulation prescribe to liabilities of such foreign
29 banking corporation appearing in the books, accounts or records of its
30 agency, agencies, branch or branches in this state as liabilities of
31 such agency, agencies, branch or branches, including acceptances and
32 such other liabilities (including contingent liabilities) as the super-
33 intendent shall determine, but excluding amounts due and other liabil-
34 ities to other offices, agencies or branches of, and affiliates of, such
35 foreign banking corporation. As used in this subdivision, (i) "affili-
36 ate" shall mean any person or entity, or group of persons or entities
37 acting in concert, that controls, is controlled by or is under common
38 control with such foreign banking corporation and (ii) "control" means
39 any person, or group of persons acting in concert, directly or indirect-
40 ly, owning, controlling or holding with power to vote, more than fifty
41 percent of the voting stock of a company, or having the ability in any
42 manner to elect a majority of the directors of a company, or otherwise
43 exercising a controlling influence over the management and policies of a
44 company as defined by the superintendent by regulation. For purposes of
45 this subdivision, the term "person" shall mean a corporation, unincorpo-
46 rated association, partnership, or any other entity or individual. For
47 the purposes of this subdivision [two], the superintendent shall value
48 marketable securities at principal amount or market value, whichever is
49 lower, shall have the right to determine the value of any non-marketable
50 bond, note, debenture, draft, bill of exchange, other evidence of
51 indebtedness, including loan participation agreements or certificates,
52 or of any other asset or obligation held by or owed to the foreign bank-
53 ing corporation or its agency, agencies, branch or branches within the
54 state, and in determining the amount of assets for the purpose of
55 computing the above ratio of assets to liabilities, shall have the power
56 to exclude in whole or in part any particular asset. If, by reason of

1 the existence or the potential occurrence of unusual and extraordinary
2 circumstances, the superintendent deems it necessary or desirable for
3 the maintenance of a sound financial condition, the protection of depos-
4 itors, creditors and the public interest, and to maintain public confi-
5 dence in the business of the agency, agencies, branch or branches of a
6 foreign banking corporation, [he] THE SUPERINTENDENT may, subject to
7 such terms and conditions as [he] THE SUPERINTENDENT may prescribe,
8 require such foreign banking corporation to deposit the assets required
9 to be held in this state pursuant to this subdivision two with such
10 banks or trust companies or private bankers or national banks located in
11 this state, as the superintendent may designate.

12 S 23. Subdivisions 1, 2 and 3 of section 209 of the banking law, as
13 amended by chapter 217 of the laws of 2010 and as further amended by
14 section 104 of part A of chapter 62 of the laws of 2011, are amended to
15 read as follows:

16 1. No executive officer of a foreign banking corporation maintaining a
17 branch in this state may be an executive officer, director or trustee of
18 a bank or trust company, savings bank, savings and loan association,
19 national bank, federal savings bank or federal savings association, the
20 principal office of which institution is located in this state, bank
21 holding company or another foreign banking corporation maintaining a
22 branch in this state, unless permission therefor has been granted by the
23 superintendent [of financial services] pursuant to the provisions of
24 subdivision three of this section, except that an executive officer of a
25 foreign banking corporation maintaining a branch in this state which is
26 a subsidiary of a bank holding company may be (i) an executive officer
27 and (ii) a director of the bank holding company of which such foreign
28 banking corporation is a subsidiary, and of one or more of the banking
29 institutions which are subsidiaries of such bank holding company.

30 2. No executive officer of a national bank, federal savings bank or
31 federal savings association, the principal office of which institution
32 is located in this state, may be an executive officer, director or trus-
33 tee of a bank or trust company, savings bank, savings and loan associ-
34 ation, bank holding company or foreign banking corporation maintaining a
35 branch in this state, unless permission therefor has been granted by the
36 superintendent [of financial services] pursuant to the provisions of
37 subdivision three of this section, except that (1) an executive officer
38 of a national bank located in this state, which is a subsidiary of a
39 bank holding company may be (i) an executive officer and (ii) a director
40 of the bank holding company and of one or more banking institutions
41 which are subsidiaries of such bank holding company.

42 3. The superintendent [of financial services] shall have the power to
43 determine by regulation who shall be considered, under the provisions of
44 this subdivision, to be an executive officer, and by [a general or
45 specific] regulation, [upon a three-fifths vote of all its members,] to
46 grant permission to an executive officer of a foreign banking corpo-
47 ration maintaining a branch in this state and to an executive officer of
48 a national bank located in this state, to be at the same time an execu-
49 tive officer, trustee or director or both an executive officer and a
50 trustee or director of a bank or trust company, savings bank, savings
51 and loan association, national bank, federal savings bank or federal
52 savings association, the principal office of which is located in this
53 state, bank holding company, and foreign banking corporation maintaining
54 a branch in this state. Such permission may be granted only if in the
55 judgment of the superintendent [of financial services] such service by
56 the executive officer will be consistent with the policy of the state of

1 New York as declared in section ten of this chapter. The superintendent
2 [of financial services] shall have the power to revoke such permission
3 [by a like vote] whenever [it] THE SUPERINTENDENT finds, after reason-
4 able notice and an opportunity to be heard, that the public interest
5 requires such revocation.

6 S 24. Paragraph (ee) of subdivision 26 of section 235 of the banking
7 law, as added by chapter 231 of the laws of 1964 and as further amended
8 by section 104 of part A of chapter 62 of the laws of 2011, is amended
9 to read as follows:

10 (ee) Stock of any "bank service corporation", as such term is defined
11 by an act of congress of the United States, entitled the "Bank Service
12 Corporation Act", approved October twenty-third, nineteen hundred
13 sixty-two, as such act may be amended from time to time, provided such
14 investment shall have been authorized by [resolution of] the superinten-
15 dent [of financial services upon a three-fifths vote of all its
16 members].

17 S 25. Subdivision 2 of section 242 of the banking law, as amended by
18 chapter 664 of the laws of 1958 and as further amended by section 104 of
19 part A of chapter 62 of the laws of 2011, is amended to read as follows:

20 2. The stocks, bonds, promissory notes or other interest-bearing obli-
21 gations purchased by a savings bank shall be entered on its books at the
22 actual cost thereof, and shall not thereafter be carried upon the books
23 at a valuation exceeding their cost as adjusted by amortization for the
24 purpose of bringing them to par at maturity; and where securities
25 purchased at a premium are callable prior to maturity, the rate of amor-
26 tization thereof shall be increased when necessary to such extent as
27 shall reduce the amount at which such securities are carried upon the
28 books to the call price at the date or dates upon which a call may be
29 made. No adjustment for amortization shall be required to be made on the
30 books except when the books are closed for the purpose of computing net
31 earnings. The superintendent [of financial services] may by [general]
32 regulation [adopted by a three-fifths vote of all its members] vary the
33 requirements of this subdivision to permit the amortization of premiums
34 at the same rate as that required by federal tax statutes or regu-
35 lations.

36 S 26. Paragraphs (a) and (b) of subdivision 5 of section 247 of the
37 banking law, as amended by chapter 217 of the laws of 2010 and as
38 further amended by section 104 of part A of chapter 62 of the laws of
39 2011, are amended to read as follows:

40 (a) No executive officer of a savings bank may be an executive offi-
41 cer, director or trustee of another savings bank, or of a bank or trust
42 company, savings and loan association, national bank, federal savings
43 bank or federal savings association, the principal office of which
44 institution is located in this state, bank holding company or foreign
45 banking corporation maintaining a branch in this state, unless permis-
46 sion therefor has been granted by the superintendent [of financial
47 services] pursuant to the provisions of paragraph (b) of this subdivi-
48 sion.

49 (b) The superintendent [of financial services] shall have the power to
50 determine by regulation who shall be considered, under the provisions of
51 this subdivision, to be an executive officer, and by [a general or
52 specific] regulation, [upon a three-fifths vote of all its members,] to
53 grant permission to an executive officer of a savings bank to be an
54 executive officer, director or trustee or both an executive officer and
55 director or trustee of another savings bank or a bank or trust company,
56 savings and loan association, national bank, federal savings bank or

1 federal savings association, the principal office of which institution
2 is located in this state, bank holding company or foreign banking corpo-
3 ration maintaining a branch in this state. Such permission may be grant-
4 ed only if in the judgment of the superintendent [of financial services]
5 such service by the executive officer will be consistent with the policy
6 of the state of New York as declared in section ten of this chapter. The
7 superintendent [of financial services] shall have the power to revoke
8 such permission [by a like vote] whenever [it] THE SUPERINTENDENT finds,
9 after reasonable notice and an opportunity to be heard, that the public
10 interest requires such revocation.

11 S 27. Subdivision 6 of section 251 of the banking law, as added by
12 chapter 849 of the laws of 1964 and as further amended by section 104 of
13 part A of chapter 62 of the laws of 2011, is amended to read as follows:

14 6. Any officer elected or appointed by the board may be removed by the
15 board, or his authority suspended by it, with or without cause. Such
16 removal or suspension without cause, however, shall be without prejudice
17 to his contract rights. The election or appointment of an officer shall
18 not be deemed of itself to create contract rights. This subdivision does
19 not affect the powers of the superintendent [or the superintendent of
20 financial services] under section forty-one of this chapter.

21 S 28. The opening paragraph and paragraph (d) of subdivision 2 of
22 section 293 of the banking law, the opening paragraph as added by chap-
23 ter 762 of the laws of 1989, paragraph (d) as amended by chapter 291 of
24 the laws of 2001 and such paragraphs as further amended by section 104
25 of part A of chapter 62 of the laws of 2011, are amended to read as
26 follows:

27 Notwithstanding any inconsistent provisions of section fourteen-e, six
28 hundred, six hundred one, six hundred one-a or six hundred one-b of this
29 chapter, subject to [general] regulations [promulgated by] OF the super-
30 intendent [of financial services], a mutual holding company may:

31 (d) engage in any other acquisition or combination specifically
32 permitted by [general] regulations [promulgated by or specific resol-
33 ution] of the superintendent [of financial services]; provided, however,
34 that any such regulation [promulgated by, or specific resolution, of the
35 superintendent of financial services] shall only authorize activities
36 which are authorized by the provisions of the Bank Holding Company Act
37 of 1956, as amended, (title twelve United States Code, Section 1841, et
38 seq.) and the provisions applicable, to mutual holding companies under
39 the Home Owners Loan Act, as amended, (title twelve United States Code,
40 Section 1467a) and any regulations or rules of the Federal Reserve Board
41 and the federal Office of Thrift Supervision pursuant thereto, respec-
42 tively, to the extent such authorized activities are not otherwise
43 limited or prohibited by this chapter.

44 S 29. Subdivision 2 and the opening paragraph of subdivision 4 of
45 section 384 of the banking law, subdivision 2 as amended by chapter 247
46 of the laws of 1959, the opening paragraph of subdivision 4 as amended
47 by chapter 360 of the laws of 1984 and such subdivision and opening
48 paragraph as further amended by section 104 of part A of chapter 62 of
49 the laws of 2011, are amended to read as follows:

50 2. The stocks, bonds or other interest-bearing obligations purchased
51 by a savings and loan association shall be entered on its books at the
52 actual cost thereof, and shall not thereafter be carried upon its books
53 at a valuation exceeding their cost as adjusted by amortization for the
54 purpose of bringing them to par at maturity; and where securities
55 purchased at a premium are callable prior to maturity, the rate of amor-
56 tization thereof shall be increased when necessary to such extent as

1 shall reduce the amount at which such securities are carried upon the
2 books to the call price at the date or dates upon which a call may be
3 made. No adjustment for amortization shall be required to be made on the
4 books, except when the books are closed for the purpose of computing
5 profits. The superintendent [of financial services] may by [general]
6 regulation [adopted by a three-fifths vote of all its members] vary the
7 requirements of this subdivision to permit the amortization of premiums
8 at the same rate as that required by federal tax statutes or regu-
9 lations.

10 Real estate acquired by an association other than that acquired for
11 use as a place of business, shall be entered on the books of the associ-
12 ation in conformity with the method of accounting for troubled debt
13 restructurings approved by the financial accounting standards board or
14 such other method of accounting as may be authorized or required by
15 rules and regulations of the superintendent [of financial services].

16 S 30. Subdivision 7 of section 397 of the banking law, as added by
17 chapter 849 of the laws of 1964 and as further amended by section 104 of
18 part A of chapter 62 of the laws of 2011, is amended to read as follows:

19 7. Any officer elected or appointed by the board may be removed by the
20 board, or his authority suspended by it, with or without cause. Such
21 removal or suspension without cause, however, shall be without prejudice
22 to his contract rights. The election or appointment of an officer shall
23 not be deemed of itself to create contract rights. This subdivision does
24 not affect the powers of the superintendent [or the superintendent of
25 financial services] under section forty-one of this chapter.

26 S 31. Paragraph (b) of subdivision 5 of section 399 of the banking
27 law, as amended by chapter 217 of the laws of 2010 and as further
28 amended by section 104 of part A of chapter 62 of the laws of 2011, is
29 amended to read as follows:

30 (b) The superintendent [of financial services] shall have the power to
31 determine by regulation who shall be considered, under the provisions of
32 this subdivision, to be an executive officer, and by [a general or
33 specific] regulation, [upon a three-fifths vote of all its members], to
34 grant permission to an executive officer of a savings and loan associ-
35 ation to be an executive officer, director or trustee or both an execu-
36 tive officer and a director or a trustee of another savings and loan
37 association, bank or trust company, savings bank, national bank, federal
38 savings bank or federal savings association, the principal office of
39 which is located in this state, bank holding company or foreign banking
40 corporation maintaining a branch in this state. Such permission may be
41 granted only if in the judgment of the superintendent [of financial
42 services] such service by the executive officer will be consistent with
43 the policy of the state of New York as declared in section ten of this
44 chapter. The superintendent [of financial services] shall have the power
45 to revoke such permission [by a like vote] whenever [it] THE SUPERINTEN-
46 DENT finds, after reasonable notice and an opportunity to be heard, that
47 the public interest requires such revocation.

48 S 32. Subdivisions 1 and 2 of section 399-a of the banking law, as
49 amended by chapter 217 of the laws of 2010 and as further amended by
50 section 104 of part A of chapter 62 of the laws of 2011, are amended to
51 read as follows:

52 1. No executive officer of a federal savings bank or federal savings
53 association the principal office of which institution is located in this
54 state may be an executive officer, director or trustee of a savings and
55 loan association, bank or trust company, savings bank, bank holding
56 company or foreign banking corporation maintaining a branch in this

1 state, unless permission therefor has been granted by the superintendent
2 [of financial services] pursuant to subdivision two of this section,
3 provided, however, that an executive officer of a federal savings and
4 loan association located in this state, who on the effective date of
5 this section is an executive officer, director or trustee of a savings
6 and loan association, bank or trust company, savings bank, bank holding
7 company or foreign banking corporation maintaining a branch in this
8 state, may continue to hold such other office without permission from
9 the superintendent [of financial services], until the expiration of the
10 term of such office or the close of business on the last day of Decem-
11 ber, nineteen hundred seventy-four, whichever occurs sooner.

12 2. The superintendent [of financial services] shall have the power to
13 determine by regulation who shall be considered, under the provisions of
14 this subdivision, to be an executive officer, and by [a general or
15 specific] regulation[, upon a three-fifths vote of all its members,] to
16 grant permission to an executive officer of a federal savings bank or
17 federal savings association located in this state, to be at the same
18 time an executive officer, director or trustee, or both an executive
19 officer and a director or trustee of a savings and loan association,
20 bank or trust company, savings bank, bank holding company, and foreign
21 banking corporation maintaining a branch in this state. Such permission
22 may be granted only if in the judgment of the superintendent [of finan-
23 cial services] such service by the executive officer will be consistent
24 with the policy of the state of New York as declared in section ten of
25 this chapter. The superintendent [of financial services] shall have the
26 power to revoke such permission [by a like vote] whenever [it] THE
27 SUPERINTENDENT finds, after reasonable notice and an opportunity to be
28 heard, that the public interest requires such revocation.

29 S 33. Section 412 of the banking law, as amended by section 9 of part
30 D-1 of chapter 109 of the laws of 2006 and as further amended by section
31 104 of part A of chapter 62 of the laws of 2011, is amended to read as
32 follows:

33 S 412. Conversion of federal savings institutions to state charter.
34 The superintendent [of financial services] is authorized[, by a three-
35 fifths vote of all its members,] to promulgate such regulations as are
36 necessary to permit the conversion of any federal savings association or
37 federal savings and loan association to state charter where such conver-
38 sion is not otherwise governed by the provisions of this chapter.
39 Subject to the foregoing, such regulations may provide for the conver-
40 sion of a federal savings association or federal savings and loan asso-
41 ciation, whether in mutual or stock form, into a state-chartered savings
42 bank or state-chartered savings and loan association. The federal
43 savings association shall submit a written plan of conversion to the
44 superintendent, together with an investigation fee as prescribed pursu-
45 ant to section eighteen-a of this chapter.

46 S 34. The opening paragraph of subdivision 6 of section 508 of the
47 banking law, as amended by chapter 360 of the laws of 1984 and as
48 further amended by section 104 of part A of chapter 62 of the laws of
49 2011, is amended to read as follows:

50 To exercise, subject to such regulations as may be issued from time to
51 time by the superintendent [of financial services], through any branch
52 office opened and occupied outside the states of the United States and
53 the District of Columbia with the approval of the superintendent [and
54 the superintendent of financial services] as provided in article two of
55 this chapter, such further powers as may be usual, in connection with
56 the transaction of the business permitted by this article, in the place

1 where such branch office shall transact business; provided that no such
2 branch office shall engage in the general business of producing,
3 distributing, buying or selling goods, wares, or merchandise.

4 S 35. The opening paragraph of section 550 of the banking law, as
5 amended by chapter 833 of the laws of 1969 and as further amended by
6 section 104 of part A of chapter 62 of the laws of 2011, is amended to
7 read as follows:

8 When authorized by the superintendent as provided in article two of
9 this chapter, five or more persons may form a corporation to be known as
10 a mutual trust investment company. Such persons shall subscribe and
11 acknowledge and submit to the superintendent [of financial services] at
12 [his] THE SUPERINTENDENT'S office an organization certificate in dupli-
13 cate which shall specifically state:

14 S 36. Paragraphs (a) and (e) of subdivision 1, paragraphs (a), (b) and
15 (b-1) of subdivision 2, the opening and closing paragraphs of subdivi-
16 sion 3, paragraphs (b), (c) and (d) of subdivision 5 and subdivision 6
17 of section 590 of the banking law, paragraph (a) of subdivision 1 and
18 paragraphs (b) and (b-1) of subdivision 2 as amended by chapter 507 of
19 the laws of 2009, paragraph (e) of subdivision 1 as added by chapter 571
20 of the laws of 1986, paragraph (a) of subdivision 2, the opening and
21 closing paragraphs of subdivision 3 and paragraphs (b), (c) and (d) of
22 subdivision 5 as amended by chapter 472 of the laws of 2008, subdivision
23 6 as amended by chapter 293 of the laws of 1987 and such provisions as
24 further amended by section 104 of part A of chapter 62 of the laws of
25 2011, are amended to read as follows:

26 (a) "Mortgage loan" shall mean a loan to a natural person made prima-
27 rily for personal, family or household use, secured by either a mortgage
28 or deed of trust on residential real property, any certificate of stock
29 or other evidence of ownership in, and proprietary lease from, a corpo-
30 ration or partnership formed for the purpose of cooperative ownership of
31 residential real property or, if determined by the superintendent [of
32 financial services] by regulation, shall include such a loan secured by
33 a security interest on a manufactured home;

34 (e) "Exempt organization" shall mean any insurance company, banking
35 organization, foreign banking corporation licensed by the superintendent
36 or the comptroller of the currency to transact business in this state,
37 national bank, federal savings bank, federal savings and loan associ-
38 ation, federal credit union, or any bank, trust company, savings bank,
39 savings and loan association, or credit union organized under the laws
40 of any other state, or any instrumentality created by the United States
41 or any state with the power to make mortgage loans. Subject to such
42 regulations as may be promulgated by the superintendent [of financial
43 services], "exempt organization" may also include any subsidiary of such
44 entities;

45 (a) No person, partnership, association, corporation or other entity
46 shall engage in the business of making five or more mortgage loans in
47 any one calendar year without first obtaining a license from the super-
48 intendent in accordance with the licensing procedure provided in this
49 article and such regulations as may be promulgated by the superintendent
50 [of financial services or prescribed by the superintendent]. The licens-
51 ing provisions of this subdivision shall not apply to any exempt organ-
52 ization nor to any entity or entities which shall be exempted in accord-
53 ance with regulations promulgated by the superintendent [of financial
54 services] hereunder.

55 (b) No person, partnership, association, corporation or other entity
56 shall engage in the business of soliciting, processing, placing or nego-

1 tiating a mortgage loan or offering to solicit, process, place or nego-
2 tiate a mortgage loan in this state without first being registered with
3 the superintendent as a mortgage broker in accordance with the registra-
4 tion procedure provided in this article and by such regulations as may
5 be promulgated by the superintendent [of financial services or
6 prescribed by the superintendent]. The registration provisions of this
7 subdivision shall not apply to any exempt organization, mortgage banker
8 or mortgage loan servicer. No real estate broker or salesman, as defined
9 in section four hundred forty of the real property law, shall be deemed
10 to be engaged in the business of a mortgage broker if he does not accept
11 a fee, directly or indirectly, for services rendered in connection with
12 the solicitation, processing, placement or negotiation of a mortgage
13 loan. No attorney-at-law who solicits, processes, places or negotiates a
14 mortgage loan incidental to his legal practice shall be deemed to be
15 engaged in the business of a mortgage broker. The registration
16 provisions of this subdivision shall not apply to any person or entity
17 which shall be exempted in accordance with regulations promulgated by
18 the superintendent [of financial services] hereunder.

19 (b-1) No person, partnership, association, corporation or other entity
20 shall engage in the business of servicing mortgage loans with respect to
21 any property located in this state without first being registered with
22 the superintendent as a mortgage loan servicer in accordance with the
23 registration procedure provided by such regulations as may be prescribed
24 by the superintendent. The superintendent may refuse to register a mort-
25 gage loan servicer on the same grounds that [he or she] THE SUPERINTEN-
26 DENT may refuse to issue a registration certificate to a mortgage broker
27 pursuant to subdivision two of section five hundred ninety-two-a of this
28 article. The registration provisions of this subdivision shall not
29 apply to any exempt organization, mortgage banker, or mortgage broker or
30 any person or entity which shall be exempted in accordance with regu-
31 lations prescribed by the superintendent hereunder; provided that such
32 exempt organization, mortgage banker, mortgage broker, or exempted
33 person notifies the superintendent that it is acting as a mortgage loan
34 servicer in this state and complies with any regulation applicable to
35 mortgage loan servicers, promulgated by the superintendent [of financial
36 services or prescribed by the superintendent with respect to mortgage
37 loan servicers]. The superintendent may require all registrations and
38 notifications to be made through the Nationwide Mortgage Licensing
39 System and Registry. An application to become a registered mortgage loan
40 servicer or any application with respect to a mortgage loan servicer
41 shall be accompanied by a fee as prescribed pursuant to section eigh-
42 teen-a of this chapter. Any fee established pursuant to this subdivision
43 may be collected by and include a processing fee charged by the Nation-
44 wide Mortgage Licensing System and Registry. Any such processing fees
45 shall not be remitted to the superintendent and shall not be deemed
46 revenue pursuant to this chapter or the state finance law.

47 In addition to such powers as may otherwise be prescribed by this
48 chapter, the superintendent [of financial services] is hereby authorized
49 and empowered to promulgate such rules and regulations as may in the
50 judgement of the superintendent [of financial services] be consistent
51 with the purposes of this article, or appropriate for the effective
52 administration of this article, including, but not limited to:

53 The superintendent [of financial services] is hereby authorized and
54 empowered to make such specific rulings, demands and findings as [it]
55 THE SUPERINTENDENT may deem necessary for the proper conduct of the
56 mortgage lending industry.

1 (b) Mortgage brokers shall solicit, process, place and negotiate mort-
2 gage loans in conformity with the provisions of this chapter, such rules
3 and regulations as may be promulgated by the superintendent [of finan-
4 cial services or prescribed by the superintendent] thereunder and all
5 applicable federal laws and the rules and regulations promulgated there-
6 under;

7 (c) Mortgage bankers and exempt organizations shall make mortgage
8 loans in conformity with the provisions of this chapter, such rules and
9 regulations as may be promulgated by the superintendent [of financial
10 services or prescribed by the superintendent] thereunder and all appli-
11 cable federal laws and the rules and regulations promulgated thereunder;

12 (d) Mortgage loan servicers shall engage in the business of servicing
13 mortgage loans in conformity with the provisions of this chapter, such
14 rules and regulations as may be promulgated by the superintendent [of
15 financial services or prescribed by the superintendent] thereunder and
16 all applicable federal laws and the rules and regulations promulgated
17 thereunder.

18 6. The superintendent [of financial services] is hereby authorized and
19 empowered, consistent with the declaration of policy set forth in this
20 article, to exempt by rule or regulation from any or all of the
21 provisions of this article any or all licensees or exempt organizations
22 as defined in paragraph (e) of subdivision one of this section with
23 respect to credit line mortgages, installment loans and home improvement
24 loans.

25 S 37. Subdivisions 1 and 2 of section 595-b of the banking law, as
26 added by chapter 472 of the laws of 2008 and as further amended by
27 section 104 of part A of chapter 62 of the laws of 2011, is amended to
28 read as follows:

29 1. Establishment of grounds to impose a fine or penalty. In addition
30 to such other rules, regulations and policies as the superintendent [of
31 financial services] may promulgate [or the superintendent may prescribe]
32 to effectuate the purposes of this article, the superintendent shall
33 promulgate regulations and policies governing the establishment of
34 grounds to impose a fine or penalty with respect to the activities of a
35 mortgage loan servicer.

36 2. Servicing practices. In addition to such other rules, regulations
37 and policies as the superintendent [of financial services] may promul-
38 gate to effectuate the purposes of this article, the superintendent may
39 prescribe regulations which relate to: (a) providing for disclosures to
40 borrowers of the basis for any interest rate resets; (b) requirements
41 for the provision of pay-off statements; and (c) governing the timing of
42 the crediting of payments made by the borrower.

43 S 38. Paragraph (g) of subdivision 1 of section 599-e of the banking
44 law, as added by chapter 123 of the laws of 2009 and as further amended
45 by section 104 of part A of chapter 62 of the laws of 2011, is amended
46 to read as follows:

47 (g) Affiliation. Unless the superintendent shall have waived the
48 affiliation requirement pursuant to regulations adopted by the super-
49 intendent [of financial services], that the applicant is employed by, or
50 is an independent contractor of (i) an originating entity, (ii) solely
51 in the case of a mortgage loan originator engaged in the origination of
52 residential mortgage loans on manufactured homes, an entity licensed
53 under article nine or eleven-B of this chapter, or (iii) in the case of
54 a mortgage loan originator engaged in mortgage loan servicing and
55 employed by a mortgage loan servicer, an entity registered as a mortgage
56 loan servicer under article twelve-D of this chapter or exempt from

1 registration under such article. A mortgage loan originator may not be
2 simultaneously employed or affiliated with more than one originating
3 entity.

4 S 39. Paragraph (a) of subdivision 1 and subdivision 2 of section
5 599-n of the banking law, as added by chapter 123 of the laws of 2009
6 and as further amended by section 104 of part A of chapter 62 of the
7 laws of 2011, is amended to read as follows:

8 (a) Through a course of conduct, the licensee has violated any
9 provisions of this article, or any rule or regulation promulgated by the
10 superintendent [of financial services] THEREUNDER, or any rule or regu-
11 lation [prescribed] PROMULGATED by the superintendent under [and within
12 the authority of this article or] article twelve-D of this chapter or of
13 any other applicable law, rule or regulation of this state or the feder-
14 al government pertaining to mortgage banking, brokering or loan origi-
15 nating; or

16 2. Restitution. The superintendent may order a mortgage loan origina-
17 tor or any other person to pay restitution for violations of this arti-
18 cle or any rules of the superintendent [of financial services or the
19 superintendent] promulgated hereunder.

20 S 40. Subdivisions 4 and 8 of section 605 of the banking law, as
21 amended by chapter 567 of the laws of 2000 and as further amended by
22 section 104 of part A of chapter 62 of the laws of 2011, are amended to
23 read as follows:

24 4. Within three months after the date of any such meeting, application
25 may be made to the supreme court, after due notice to the superinten-
26 dent, for an order declaring the business of such corporation closed. In
27 a proper case, the court shall make such order which shall prescribe the
28 notice to be given to creditors and depositors to present their claims
29 to the corporation for payment. In the closing order, the court shall
30 set a date certain by which claims must be presented to the corporation
31 for payment. The corporation need not consider any claims submitted
32 after that date. Within five days after the making of such order, a
33 certified copy thereof shall be filed in the office of the superinten-
34 dent. Upon the entry of such order such corporation shall cease to do
35 business and shall wind up its affairs, pay its creditors and depos-
36 itors, if any, and, except in the case of a mutual savings bank,
37 distribute any remaining assets among its shareholders or stockholders
38 according to their respective rights and interests. The corporation or
39 any creditor or depositor thereof, upon due notice, may apply to the
40 court that issued the closing order for a determination as to any
41 disputed claim or for any other relief necessary to effectuate the
42 liquidation and dissolution of the corporation. Any petition, applica-
43 tion, or motion to vacate, set aside, modify or amend such order so as
44 to permit the corporation to resume business shall have incorporated
45 therein a certificate of the superintendent certifying that after inves-
46 tigation the superintendent has found[, and the superintendent of finan-
47 cial services by a three-fifths vote of all its members has found,] that
48 the public convenience and advantage will be promoted by the granting of
49 said petition, application or motion.

50 8. Unless the superintendent [of financial services by a three-fifths
51 vote of all its members] shall otherwise provide, any corporate banking
52 organization that, pursuant to an agreement, sells or conveys more than
53 fifty per centum of its assets without the written approval of the
54 superintendent shall take the proceedings for voluntary dissolution
55 herein prescribed and, within six months from the date of such sale or
56 conveyance, shall file with the superintendent a certified copy of the

1 closing order in the form prescribed by subdivision four of this
2 section. The corporate banking organization, upon making written appli-
3 cation to the superintendent for approval of the sale or conveyance of
4 more than fifty per centum of its assets, shall pay an investigation fee
5 as prescribed pursuant to section eighteen-a of this chapter. If a clos-
6 ing order is required to be filed pursuant to this subdivision and such
7 order is not filed within the time prescribed, the superintendent shall
8 have the power, in [his or her] THE SUPERINTENDENT'S discretion, to take
9 possession of the business and property of such corporation and proceed
10 with the liquidation thereof under the provisions of this article.

11 S 41. Paragraph (f) of subdivision 2 of section 2001 of the banking
12 law, as amended by chapter 566 of the laws of 2004 and as further
13 amended by section 104 of part A of chapter 62 of the laws of 2011, is
14 amended to read as follows:

15 (f) To be a promoter, partner, member, associate or manager of other
16 business enterprises or ventures, or to the extent permitted in any
17 other jurisdiction to be an incorporator of other corporations of any
18 type or kind; provided, however, that nothing contained in this para-
19 graph shall authorize a banking organization to engage in any activity
20 not otherwise authorized by the laws of New York or by regulations of
21 the superintendent [of financial services or of the superintendent].

22 S 42. The opening paragraph of subdivision 1 of section 4001-a of the
23 banking law, as added by chapter 637 of the laws of 1995 and as further
24 amended by section 104 of part A of chapter 62 of the laws of 2011, is
25 amended to read as follows:

26 Notwithstanding the provisions of section four thousand one of this
27 [article] TITLE and when authorized by the superintendent [and the
28 superintendent of financial services] as provided in article two of this
29 chapter, five or more persons may form a limited liability investment
30 company pursuant to the provisions of article twelve of this chapter.
31 Such person or persons shall subscribe and acknowledge the articles of
32 organization in duplicate which shall specifically state:

33 S 43. The opening paragraph of subdivision 1 of section 4001-b of the
34 banking law, as added by chapter 248 of the laws of 1997 and as further
35 amended by section 104 of part A of chapter 62 of the laws of 2011, is
36 amended to read as follows:

37 Notwithstanding the provisions of section four thousand one of this
38 [article] TITLE and when authorized by the superintendent [and the
39 superintendent of financial services] as provided in article two of this
40 chapter, five or more persons may form a limited liability trust company
41 pursuant to the provisions of article three of this chapter. Such person
42 or persons shall subscribe and acknowledge the articles of organization
43 in duplicate, which shall specifically state:

44 S 44. Subdivision 4 of section 7006 of the banking law, as added by
45 chapter 849 of the laws of 1964 and as further amended by section 104 of
46 part A of chapter 62 of the laws of 2011, is amended to read as follows:

47 4. This section does not affect the powers of the superintendent [or
48 the superintendent of financial services] under section forty-one of
49 this chapter.

50 S 45. Subdivision 2 of section 7014 of the banking law, as added by
51 chapter 849 of the laws of 1964 and as further amended by section 104 of
52 part A of chapter 62 of the laws of 2011, is amended to read as follows:

53 2. This section does not affect the powers of the superintendent [or
54 the superintendent of financial services] under section forty-one of
55 this chapter.

1 S 46. Clause (B) of subparagraph 5 of paragraph (a) of section 301 of
2 the business corporation law, as amended by chapter 555 of the laws of
3 1993 and as further amended by section 104 of part A of chapter 62 of
4 the laws of 2011, is amended to read as follows:

5 (B) Shall not contain any of the following words, or any abbreviation
6 or derivative thereof:

7 acceptance	endowment	loan
8 annuity	fidelity	mortgage
9 assurance	finance	savings
10 bank	guaranty	surety
11 benefit	indemnity	title
12 bond	insurance	trust
13 casualty	investment	underwriter
14 doctor	lawyer	

15 unless the approval of the superintendent of financial services [or the
16 superintendent of financial services, as appropriate,] is attached to
17 the certificate of incorporation, or application for authority or amend-
18 ment thereof; or that the word "doctor" or "lawyer" or an abbreviation
19 or derivation thereof is used in the name of a university faculty prac-
20 tice corporation formed pursuant to section fourteen hundred twelve of
21 the not-for-profit corporation law or a professional service corporation
22 formed pursuant to article fifteen of this chapter, or a foreign profes-
23 sional service corporation authorized to do business in this state
24 pursuant to article fifteen-A of this chapter, the members or sharehold-
25 ers of which are composed exclusively of doctors or lawyers, respective-
26 ly, or are used in a context which clearly denotes a purpose other than
27 the practice of law or medicine.

28 S 47. The opening paragraph of section 7701 of the civil practice law
29 and rules, as amended by chapter 193 of the laws of 1976 and as further
30 amended by section 104 of part A of chapter 62 of the laws of 2011, is
31 amended to read as follows:

32 A special proceeding may be brought to determine a matter relating to
33 any express trust except a voting trust, a mortgage, a trust for the
34 benefit of creditors, a trust to carry out any plan of reorganization of
35 real property acquired on foreclosure or otherwise of a mortgage or
36 mortgages against which participation certificates have been issued and
37 guaranteed by a corporation and for which the superintendent of finan-
38 cial services [or the superintendent of financial services] has been or
39 may hereafter be appointed rehabilitator or liquidator or conservator, a
40 trust to carry out any plan of reorganization pursuant to sections one
41 hundred nineteen through one hundred twenty-three of the real property
42 law or pursuant to section seventy-seven B of the national bankruptcy
43 act, and trusts for cemetery purposes, as provided for by sections 8-1.5
44 and 8-1.6 of the estates, powers and trusts law.

45 S 48. Subdivision 4 of section 695-b of the education law, as added by
46 chapter 546 of the laws of 1997 and as further amended by section 104 of
47 part A of chapter 62 of the laws of 2011, is amended to read as follows:

48 4. "Financial organization" shall mean an organization authorized to
49 do business in the state of New York and (a) which is an authorized
50 fiduciary to act as a trustee pursuant to the provisions of an act of
51 congress entitled "Employee Retirement Income Security Act of 1974" as
52 such provisions may be amended from time to time, or an insurance compa-
53 ny; and (b)(i) is licensed or chartered by the department of financial
54 services, (ii) [is licensed or chartered by the department of financial
55 services, (iii)] is chartered by an agency of the federal government,
56 [(iv)] (III) is subject to the jurisdiction and regulation of the secu-

1 rities and exchange commission of the federal government, or [(v)] (IV)
2 is any other entity otherwise authorized to act in this state as a trustee pursuant to the provisions of an act of congress entitled "Employee
3 Retirement Income Security Act of 1974" as such provisions may be
4 amended from time to time.

5
6 S 49. Subdivision 3 of section 63 of the executive law, as amended by
7 chapter 766 of the laws of 2005 and as further amended by section 104 of
8 part A of chapter 62 of the laws of 2011, is amended to read as follows:

9 3. Upon request of the governor, comptroller, secretary of state,
10 commissioner of transportation, superintendent of financial services,
11 [superintendent of financial services,] commissioner of taxation and
12 finance, commissioner of motor vehicles, or the state inspector general,
13 or the head of any other department, authority, division or agency of
14 the state, investigate the alleged commission of any indictable offense
15 or offenses in violation of the law which the officer making the request
16 is especially required to execute or in relation to any matters
17 connected with such department, and to prosecute the person or persons
18 believed to have committed the same and any crime or offense arising out
19 of such investigation or prosecution or both, including but not limited
20 to appearing before and presenting all such matters to a grand jury.

21 S 50. Subdivision 1 of section 161 of the executive law, as separately
22 amended by chapters 430 and 636 of the laws of 1969 and as further
23 amended by section 104 of part A of chapter 62 of the laws of 2011, is
24 amended to read as follows:

25 1. Each of the following officers, to wit: the secretary of state, the
26 comptroller, the commissioner of taxation and finance, the attorney
27 general, the public service commission, the commissioner of agriculture
28 and markets, the commissioner of transportation, the industrial commis-
29 sioner, the chairman of the state labor relations board, the chairman of
30 the state liquor authority, the superintendent of financial services,
31 [the superintendent of financial services,] the state commissioner of
32 human rights, the commissioner of general services and the commissioner
33 of housing and community renewal may require search to be made, in the
34 office of any of the others, or of a county clerk or of the clerk of a
35 court of record, for any record, document, or paper, where he OR SHE
36 deems it necessary for the discharge of his OR HER official duties, and
37 a copy thereof, or extracts therefrom, to be made and officially certi-
38 fied or exemplified, without the payment of any fee or charge.

39 S 51. Subdivision 25 of section 292 of the executive law, as added by
40 chapter 173 of the laws of 1974, as renumbered by chapter 632 of the
41 laws of 1976 and as further amended by section 104 of part A of chapter
42 62 of the laws of 2011, is amended to read as follows:

43 25. The term "superintendent", when used in this article, means the
44 head of the department of financial services appointed pursuant to
45 section [twelve] TWO HUNDRED TWO of the [banking] FINANCIAL SERVICES
46 law.

47 S 52. Subdivision 9 of section 296-a of the executive law, as added by
48 chapter 173 of the laws of 1974 and as further amended by section 104 of
49 part A of chapter 62 of the laws of 2011, is amended to read as follows:

50 9. Whenever any creditor makes application to the superintendent [or
51 the superintendent] of financial services to take any action requiring
52 consideration by the superintendent [or such board] of the public inter-
53 est and the needs and convenience thereof, or requiring a finding that
54 the financial responsibility, experience, charter, and general fitness
55 of the applicant, and of the members thereof if the applicant be a
56 co-partnership or association, and of the officers and directors thereof

1 if the applicant be a corporation, are such as to command the confidence
2 of the community and to warrant belief that the business will be oper-
3 ated honestly, fairly, and efficiently, such creditor shall certify to
4 the superintendent compliance with the provisions of this section. In
5 the event that the records of the department of financial services show
6 that such creditor has been found to be in violation of this section,
7 such creditor shall describe what action has been taken with respect to
8 its credit policies and procedures to remedy such violation or
9 violations. The superintendent shall, in approving the foregoing appli-
10 cations and making the foregoing findings, give appropriate weight to
11 compliance with this section.

12 S 53. Subdivision 9 of section 835 of the executive law, as amended by
13 section 102 of subpart B of part C of chapter 62 of the laws of 2011 and
14 as further amended by section 104 of part A of chapter 62 of the laws of
15 2011, is amended to read as follows:

16 9. "Qualified agencies" means courts in the unified court system, the
17 administrative board of the judicial conference, probation departments,
18 sheriffs' offices, district attorneys' offices, the state department of
19 corrections and community supervision, the department of correction of
20 any municipality, the [insurance] FINANCIAL frauds [bureau] AND CONSUMER
21 PROTECTION UNIT of the state department of financial services, the
22 office of professional medical conduct of the state department of health
23 for the purposes of section two hundred thirty of the public health law,
24 the child protective services unit of a local social services district
25 when conducting an investigation pursuant to subdivision six of section
26 four hundred twenty-four of the social services law, the office of Medi-
27 caid inspector general, the temporary state commission of investigation,
28 [the criminal investigations bureau of the department of financial
29 services,] police forces and departments having responsibility for
30 enforcement of the general criminal laws of the state and the Onondaga
31 County Center for Forensic Sciences Laboratory when acting within the
32 scope of its law enforcement duties.

33 S 54. Subdivision 15 of section 215 of the general municipal law, as
34 added by chapter 714 of the laws of 2006 and paragraphs (ii) and (iii)
35 as further amended by section 104 of part A of chapter 62 of the laws of
36 2011, is amended to read as follows:

37 15. "Financial organization" means an organization duly authorized to
38 do business in the state and which is (i) registered as an investment
39 adviser under the Investment Advisers Act of 1940, as such provisions
40 may be amended from time to time; (ii) licensed or chartered by the
41 state department of financial services; (iii) [licensed or chartered by
42 the state department of financial services; (iv)] chartered by an agency
43 of the federal government; or [(v)] (IV) subject to the jurisdiction and
44 regulation of the securities and exchange commission of the federal
45 government.

46 S 55. Subdivision 14 of section 219-c of the general municipal law, as
47 amended by chapter 514 of the laws of 1998 and paragraphs (ii) and (iii)
48 as further amended by section 104 of part A of chapter 62 of the laws of
49 2011, is amended to read as follows:

50 14. "Financial organization" means an organization duly authorized to
51 do business in the state and which is (i) registered as an investment
52 adviser under the Investment Advisers Act of 1940, as such provisions
53 may be amended from time to time; (ii) licensed or chartered by the
54 state department of financial services; (iii) [licensed or chartered by
55 the state department of financial services; (iv)] chartered by an agency
56 of the federal government; or [(v)] (IV) subject to the jurisdiction and

1 regulation of the securities and exchange commission of the federal
2 government.

3 S 56. Subdivision 19 of section 219-k of the general municipal law, as
4 added by chapter 558 of the laws of 1998 and as further amended by
5 section 104 of part A of chapter 62 of the laws of 2011, is amended to
6 read as follows:

7 19. "Financial organization" means an organization duly authorized to
8 do business in the state which is (a) registered as an investment advis-
9 er under the Investment Advisers Act of 1940, as such provisions may be
10 amended from time to time; (b) licensed or chartered by the state
11 department of financial services; (c) [licensed or chartered by the
12 state department of financial services; (d)] chartered by an agency of
13 the federal government; or [(e)] (D) subject to the jurisdiction and
14 regulation of the securities and exchange commission of the federal
15 government.

16 S 57. Subsection (d) and paragraphs 3 and 4 of subsection (e) of
17 section 1118 of the insurance law, as added by chapter 703 of the laws
18 of 1988 and as further amended by section 104 of part A of chapter 62 of
19 the laws of 2011, are amended to read as follows:

20 (d) Notwithstanding any provisions of [the insurance law] THIS CHAPTER
21 OR THE FINANCIAL SERVICES LAW to the contrary, the superintendent may
22 waive, modify or suspend any provision of [the insurance law] THIS CHAP-
23 TER, THE FINANCIAL SERVICES LAW or [department of financial services]
24 regulations PROMULGATED THEREUNDER as applicable to the insurers or
25 health maintenance organizations [which] THAT conduct the regional pilot
26 projects, except as to mandatory benefits, provided such waiver, modifi-
27 cation or suspension is based on the criteria set forth in subsection
28 (e) of this section.

29 (3) any waiver, modification or suspension of provisions of [the
30 insurance law] THIS CHAPTER, THE FINANCIAL SERVICES LAW or [department
31 of financial services] regulations PROMULGATED THEREUNDER is essential
32 to the operation of the regional pilot project and to the rational
33 development of programs to provide health care coverage or equivalent
34 coverage mechanisms to the uninsured; and

35 (4) any waiver, modification or suspension of provisions of [the
36 insurance law] THIS CHAPTER, THE FINANCIAL SERVICES LAW or [department
37 of financial services] regulations PROMULGATED THEREUNDER will not
38 impair the ability of the insurer or health maintenance organization to
39 satisfy its existing and anticipated contracts and other obligations,
40 including such standards as the superintendent shall prescribe concern-
41 ing adequate capital and financial requirements.

42 S 58. Subsections (d) and (e) of section 1120 of the insurance law, as
43 added by chapter 922 of the laws of 1990, paragraph 3 of subsection (e)
44 as amended by chapter 2 of the laws of 1998 and subsection (d) and para-
45 graph 4 of subsection (e) as further amended by section 104 of part A of
46 chapter 62 of the laws of 2011, are amended to read as follows:

47 (d) Notwithstanding any provisions of [the insurance law] THIS CHAPTER
48 OR THE FINANCIAL SERVICES LAW to the contrary, the superintendent may
49 waive, modify or suspend any provisions of [the insurance law] THIS
50 CHAPTER, THE FINANCIAL SERVICES LAW or [department of financial
51 services] regulations PROMULGATED THEREUNDER as applicable to the insur-
52 ers, article forty-three corporations or health maintenance organiza-
53 tions [which] THAT issue coverage pursuant to this section, provided
54 such waiver, modification or suspension is based on the criteria set
55 forth in subsection (e) of this section.

(e) The superintendent may take the actions set forth in subsections (a) and (d) of this section upon the superintendent's [judgement] JUDGMENT that:

(1) the contract or arrangement is a reasonable and appropriate approach to expand the availability of health care coverage to children;

(2) the sources of funding for the contract or arrangement are reasonably related to the benefits provided and sufficient to support the contract arrangement;

(3) any waiver, modification or suspension of the provisions of [the insurance law] THIS CHAPTER, THE FINANCIAL SERVICES LAW or [insurance] regulations PROMULGATED THEREUNDER is essential to the operation of the child health insurance plan and to the rational development of programs to provide covered services to children; and

(4) any waiver, modification or suspension of provisions of [the insurance law] THIS CHAPTER, THE FINANCIAL SERVICES LAW or [department of financial services] regulations PROMULGATED THEREUNDER will not impair the ability of the insurer, article forty-three corporation or health maintenance organization to satisfy its existing and anticipated contracts and other obligations, including such standards as the superintendent shall prescribe concerning adequate capital and financial requirements.

S 59. Paragraph 3 of subsection (e) of section 1120 of the insurance law, as amended by chapter 639 of the laws of 1996, is amended to read as follows:

(3) any waiver, modification or suspension of provisions of [the insurance law] THIS CHAPTER, THE FINANCIAL SERVICES LAW or [insurance] regulations PROMULGATED THEREUNDER is essential to the operation of the child health insurance plan and to the rational development of programs to provide primary and preventive health care coverage and inpatient health care services coverage to children; and

S 60. Subsections (a) and (c) of section 4402 of the insurance law are amended to read as follows:

(a) "Employee welfare fund" or "fund" means any trust fund or other fund established or maintained jointly by one or more employers together with one or more labor organizations, whether directly or through trustees, to provide employee benefits by the purchase of insurance or annuity contracts or otherwise, and to which is paid or contracted to be paid anything, other than income from investments of such fund for the benefit of employees employed in this state, and, if the principal office of the employer is located outside of the state, for at least twenty such employees; provided, however, that such term shall not include any such fund where its over-all management is vested, alone or jointly with other trustees, in a corporate trustee which is subject to supervision by the [superintendent] SUPERVISOR of banks of any state or [is a member of the federal reserve system] THE COMPTROLLER OF THE CURRENCY.

(c) "Trustee" means the person or group of persons who or which is charged with or has the general power of administration over an employee welfare fund and may include a pension board or committee, a board of individual trustees, a board of administration or the like; provided, however, such term shall not include a corporate trustee which is subject to supervision by the [superintendent] SUPERVISOR of banks of any state or [is a member of the federal reserve system] THE COMPTROLLER OF THE CURRENCY; nor shall such term include any insurer licensed under the laws of this state or authorized to do business herein.

1 S 61. Subsection (b) of section 4403 of the insurance law, as further
2 amended by section 104 of part A of chapter 62 of the laws of 2011, is
3 amended to read as follows:

4 (b) If it is found that the conditions [which] THAT originally
5 required registration with the superintendent have ceased to exist and
6 that new conditions exist [which] THAT would not require the registra-
7 tion of an employee welfare fund with [either] the superintendent [of
8 financial services or the superintendent of financial services], then
9 the superintendent [of financial services] may, on application of the
10 trustees or on [his] THE SUPERINTENDENT'S own motion, cancel the regis-
11 tration of such fund.

12 S 62. Subparagraph (C) of paragraph 2 of subsection (h) of section
13 9111-b of the insurance law, as added by chapter 148 of the laws of
14 1998, is amended to read as follows:

15 (C) that an undertaking is filed with the superintendent [of insur-
16 ance] in such amount and with such sureties as a justice of the supreme
17 court shall approve to the effect that if such proceeding be dismissed
18 or the tax confirmed, the petitioner will pay all costs and charges
19 [which] THAT may accrue in the prosecution of such proceeding.

20 S 63. Subdivision (f) of section 204 of the limited liability company
21 law, as further amended by section 104 of part A of chapter 62 of the
22 laws of 2011, is amended to read as follows:

23 (f) shall not contain the following words, or any abbreviation or
24 derivative thereof:

25 acceptance	guaranty
26 annuity	indemnity
27 assurance	insurance
28 attorney	investment
29 bank	lawyer
30 benefit	loan
31 bond	mortgage
32 casualty	savings
33 doctor	surety
34 endowment	title
35 fidelity	trust
36 finance	underwriter

37 unless the approval of the superintendent of financial services [or the
38 superintendent of financial services, as appropriate,] is attached to
39 the articles of organization or unless the word "doctor" or "lawyer" or
40 an abbreviation or derivative thereof is used in a context that clearly
41 denotes a purpose other than the practice of law or medicine;

42 S 64. Clause (B) of subparagraph 5 of paragraph (a) of section 301 of
43 the not-for-profit corporation law, as amended by chapter 9 of the laws
44 of 1983 and as further amended by section 104 of part A of chapter 62 of
45 the laws of 2011, is amended to read as follows:

46 (B) Shall not contain any of the following words, or any abbreviation
47 or derivative thereof:

48 acceptance	fidelity	mortgage
49 annuity	finance	savings
50 assurance	guaranty	surety
51 bank	indemnity	title

1	bond	insurance	trust
2	casualty	investment	underwriter
3	doctor	lawyer	
4	endowment	loan	

5 unless the approval of the superintendent of financial services [or the
6 superintendent of financial services, as appropriate,] is attached to
7 the certificate of incorporation, or application for authority or amend-
8 ment thereof; or that the word "doctor", "lawyer", or the phrase "state
9 police" or "state trooper" or an abbreviation or derivation thereof, may
10 be used in the name of a corporation the membership of which is composed
11 exclusively of doctors, lawyers, state policemen or state troopers,
12 respectively.

13 S 65. Subparagraph (B) of paragraph 3 of subdivision (a) of section
14 121-102 of the partnership law, as added by chapter 950 of the laws of
15 1990 and as further amended by section 104 of part A of chapter 62 of
16 the laws of 2011, is amended to read as follows:

17 (B) may not contain the following words, or any abbreviation or deriv-
18 ative thereof:

19	acceptance	indemnity
20	annuity	insurance
21	assurance	investment
22	bank	lawyer
23	benefit	loan
24	bond	mortgage
25	casualty	savings
26	doctor	surety
27	endowment	title
28	fidelity	trust
29	finance	underwriter
30	guaranty	

31 unless the approval of the superintendent of financial services [or the
32 superintendent of financial services, as appropriate,] is attached to
33 the certificate of limited partnership; or unless the word "doctor" or
34 "lawyer" or an abbreviation or derivative thereof is used in a context
35 which clearly denotes a purpose other than the practice of law or medi-
36 cine.

37 S 66. Subdivision 4 of section 303 of the personal property law, as
38 added by chapter 641 of the laws of 1984 and as further amended by
39 section 104 of part A of chapter 62 of the laws of 2011, is amended to
40 read as follows:

41 4. As an alternative to the credit service charge provided for above,
42 a retail seller may contract for in a retail instalment contract and
43 charge, receive and collect a credit service charge calculated on the
44 unpaid balances of an amount computed as provided in the second para-
45 graph of subdivision one above, for the time outstanding according to a
46 generally accepted actuarial method at rates that may vary from time to
47 time and in accordance with the provisions of the contract. On any
48 contract with a variable rate credit service charge made pursuant to
49 this subdivision the rate shall be determined at regular intervals as
50 set forth in the contract and in accordance with such regulations as the
51 superintendent of financial services shall prescribe but said rate shall
52 not vary more often than once in any three month period and shall be

1 based on a published index that is (a) readily available, (b) independ-
2 ently verifiable, (c) beyond the control of the retail seller and (d)
3 approved by the superintendent.

4 The superintendent [of financial services] shall adopt regulations
5 with respect to retail installment contracts that provide for a variable
6 rate of credit-service charge, including but not limited to: (a) provid-
7 ing for disclosure to the buyer by the retail seller of the circum-
8 stances under which the rate may increase, any limitations on the
9 increase, the effect of an increase and an example of the payment terms
10 that would result from an increase; (b) providing for disclosure to the
11 buyer by the retail seller of a history of the fluctuations of the index
12 over a reasonable period of time; and (c) providing for notice to the
13 buyer by the retail seller prior to any rate increase or change in the
14 terms of payment.

15 S 67. Paragraph (a) of subdivision 1 of section 15 of the private
16 housing finance law, as amended by chapter 990 of the laws of 1972 and
17 as further amended by section 104 of part A of chapter 62 of the laws of
18 2011, is amended to read as follows:

19 (a) One or more banking organizations, foundations, labor unions,
20 employers' associations, veterans' organizations, colleges, universi-
21 ties, educational institutions, child care institutions, hospitals,
22 medical research institutes, insurance companies, trustees, fiduciaries
23 or any combination of the foregoing, shall have the power to organize a
24 company pursuant to the provisions of this article, and to purchase for
25 cash or to receive and hold in exchange for property, and to own the
26 bonds of a company and to invest, singly or jointly, or with the state
27 or a municipality or the New York state housing finance agency or the
28 New York city housing development corporation in a bond or note and
29 single participating mortgage, or in separate bonds or notes and mort-
30 gages, in an amount not greater than ninety-five per centum of the total
31 project cost in the case of a mutual company, urban rental company or a
32 non-profit company incorporated pursuant to the provisions of the not-
33 for-profit corporation law and this article for the purpose of providing
34 housing for staff members, employees or students of a college, universi-
35 ty, child care institution, or hospital and their immediate families and
36 in the case of a non-profit company incorporated pursuant to the not-
37 for-profit corporation law and this article for the purpose of providing
38 housing for aged persons of low income or in the case of a low income
39 non-profit housing company such investment shall not be greater than the
40 total project cost. Where one or more banking organizations, founda-
41 tions, labor unions, employers' associations, veterans' organizations,
42 colleges, universities, educational institutions, child care insti-
43 tutions, hospitals, medical research institutes, insurance companies,
44 trustees, fiduciaries, or the state or a municipality or the New York
45 state housing finance agency or the New York city housing development
46 corporation, shall participate in a loan to a company secured by a
47 single participating mortgage or by separate mortgages, the interest of
48 each shall have equal priority as to lien in proportion to the amount of
49 loan so secured, but need not be equal as to interest rate, time or rate
50 of amortization or otherwise. Banking organizations, foundations, labor
51 unions, employers' associations, veterans' organizations, colleges,
52 universities, educational institutions, child care institutions, hospi-
53 tals, medical research institutes, insurance companies, trustees, fidu-
54 ciaries or groups thereof, may exercise any such power on such condi-
55 tions, however, as to banking organizations[, as may be prescribed by
56 the superintendent of financial services of the state department of

financial services,] and as to insurance companies only to the extent and upon such conditions as may be authorized by the state superintendent of financial services. As used in this subdivision, the terms "trustees" and "fiduciaries" shall include any fiduciary or fiduciaries holding funds for investment, and the term "banking organizations" shall have the same meaning as in subdivision eleven of section two of the banking law.

S 68. Subdivision 1 of section 30 of the private housing finance law, as further amended by section 104 of part A of chapter 62 of the laws of 2011, is amended to read as follows:

1. Notwithstanding any requirement of law to the contrary, every executor, administrator, trustee, guardian or other person, holding trust funds or acting in a fiduciary capacity, unless the instrument under which such fiduciary is acting expressly forbids, the state, its subdivisions, municipalities, all other public bodies, all public officers, persons, partnerships and corporations organized under and governed as to investments by or pursuant to the provisions of the banking law or organized under or subject to the provisions of the insurance law, the superintendent of financial services [or the superintendent of financial services] as conservator, liquidator or rehabilitator of any such person, partnership or corporation, owning or holding any real property may grant, sell, lease or otherwise transfer any such real property to a company and receive and hold any cash, stock, bonds, notes, mortgages, or other securities or obligations, secured or unsecured, exchanged therefor by such company and may execute such instruments and do such acts as may be deemed necessary or desirable by them or it and by the company in connection with a project or projects. Notwithstanding the provisions of any general, special or local law, charter or ordinance, such grant, sale, lease or transfer may be made without public auction or bidding.

S 69. Subdivision 2 of section 94 of the private housing finance law, as amended by chapter 23 of the laws of 1976 and as further amended by section 104 of part A of chapter 62 of the laws of 2011, is amended to read as follows:

2. Notwithstanding the foregoing provisions of this section, wherever it shall appear that a government, the New York state housing finance agency, the New York state urban development corporation, created by the New York state urban development corporation act, the New York city housing development corporation, Battery Park city authority, an organization or entity investing or participating in a loan pursuant to subdivision one of section fifteen of this chapter, or a corporation subject to the supervision [either] of the state department of financial services [or the state department of financial services], shall have loaned on a mortgage which is a lien upon any such property, such government, New York state housing finance agency, New York state urban development corporation, New York city housing development corporation, Battery Park city authority, an organization or entity investing or participating in a loan pursuant to said section fifteen or a corporation subject to such supervision, or any trustee or trustees, or any successor trustee or trustees, for the benefit of any one or more of the aforesaid classes shall have all the remedies available to a mortgagee under the laws of the state of New York, free from any restrictions contained in this section except that the commissioner shall be made a party defendant and that the commissioner shall take all steps necessary to protect the interests of the public and no costs shall be awarded against him OR HER

1 S 70. Subdivision 2 of section 122 of the private housing finance law,
2 as amended by chapter 804 of the laws of 1981 and as further amended by
3 section 104 of part A of chapter 62 of the laws of 2011, is amended to
4 read as follows:

5 2. If an action be brought to foreclose a mortgage or tax lien upon a
6 redevelopment project, heretofore or hereafter authorized pursuant to
7 this article, and the real property constituting the project shall be
8 acquired at the foreclosure sale or from the mortgagee or lienor that
9 had acquired the property of such sale, or by a conveyance in lieu of
10 such sale, by a redevelopment company organized pursuant to this arti-
11 cle, or by the federal government or an instrumentality thereof, or by a
12 corporation which is, or by agreement has become subject to the super-
13 vision of the superintendent of financial services [or the superinten-
14 dent of financial services], such successor in interest shall acquire
15 such project subject to all provisions of the contract regulating such
16 project and shall be entitled to all of the benefits contained in such
17 contract. In all other cases of sale at foreclosure or forced sale, the
18 real property constituting the project or any portion or portions there-
19 of shall be sold free of all restrictions, except such covenants running
20 with the land as may be contained in the contract regulating the
21 project, or in the deed, if any, given by the municipality to the rede-
22 velopment company affecting all or any portion of the real property upon
23 which the project is situated, and the tax exemption, if any, thereto-
24 fore granted to such project pursuant to such contract shall immediately
25 terminate.

26 S 71. Subdivision 1 of section 307 of the private housing finance law,
27 as further amended by section 104 of part A of chapter 62 of the laws of
28 2011, is amended to read as follows:

29 1. The members of such corporation shall consist of such banking
30 organizations, insurance and surety companies, as may make application
31 for membership in such corporation, and membership shall become effec-
32 tive upon the acceptance of such applications by the temporary board of
33 directors or the permanent board of directors, as the case may be. Each
34 member shall lend funds to the corporation as and when called upon by it
35 to do so, pursuant to subdivision two of this section [three hundred
36 seven], but the total amount on loan by any member at any one time shall
37 not exceed the following limits to be determined as of the date it
38 became a member, and such amount shall thereafter be readjusted annually
39 in the event of any change in the base of the loan limit of such member:
40 commercial banks, industrial banks and trust companies, one per centum
41 of capital and surplus; private bankers, one per centum of capital;
42 savings banks, one per centum of surplus fund; savings and loan associ-
43 ations, one per centum of surplus; stock insurance companies, one per
44 centum of capital and surplus; surety and casualty companies, one per
45 centum of capital and surplus; mutual insurance companies, one per
46 centum of guaranty funds or of surplus, whichever is applicable; and
47 comparable limits for other banking, lending and insurance organiza-
48 tions, as established by the board of directors; provided, however, that
49 the total amount on loan by any member at any one time shall not exceed
50 two hundred fifty thousand dollars; provided, however, that in the case
51 of banking organizations[, the superintendent of financial services,]
52 and in the case of insurance and surety companies[, the superintendent
53 of financial services[, may authorize a member to lend to the corpo-
54 ration an amount in excess of two hundred fifty thousand dollars. All
55 loan limits shall be established at the thousand dollar nearest to the
56 amount computed on an actual basis. All calls of funds which members

1 are committed to lend to such corporation shall be prorated by such
2 corporation among the members in the same proportion that the maximum
3 loan limit of each bears to the aggregate loan limits of all members of
4 such corporation. Upon six months' prior written notice to the board of
5 directors, a member of such corporation may withdraw from membership,
6 effective at the end of such six-month period and, after the effective
7 date of such withdrawal, such member shall be free of obligations here-
8 under except those accrued or committed by such corporation prior to
9 such effective date of withdrawal. Notwithstanding the provisions of any
10 other law, general or special, the notes or other interest-bearing obli-
11 gations of such corporation, issued in accordance with and by virtue of
12 this article and the by-laws of such corporation, shall be legal invest-
13 ments for the banking, insurance and surety organizations who become
14 members of such corporations, up to but in no event exceeding the loan
15 limits established herein.

16 S 72. Section 311 of the private housing finance law, as amended by
17 chapter 891 of the laws of 1971 and as further amended by section 104 of
18 part A of chapter 62 of the laws of 2011, is amended to read as follows:

19 S 311. Examination. At least once in each calendar year the corpo-
20 ration shall be examined by [either] the superintendent of financial
21 services [or the superintendent of financial services] for the purpose
22 of determining the corporation's net worth and the soundness of its
23 management and operating policies. [The examination is to be made by the
24 superintendant of financial services in alternate years commencing with
25 the examination for the year ending October thirty-first, nineteen
26 hundred seventy-one, and by the superintendent of financial services in
27 alternate years commencing with the examination for the year ending
28 October thirty-first, nineteen hundred seventy-two.] The corporation
29 shall not, however, be deemed to be a banking or insurance organization.
30 The corporation shall pay the cost of each such examination. Copies of
31 each examination report, including the findings, conclusions and recom-
32 mendations of the examiners, shall be furnished to the corporation. The
33 corporation shall furnish copies of each report, including the findings,
34 conclusions and recommendations of the examiners, to each of the holders
35 of its capital stock and to its members. Such corporation shall make an
36 annual report of its condition to the governor, legislature[, super-
37 intendent of financial services] and superintendent of financial
38 services on or before January first of each year.

39 S 73. Subdivision 2 of section 407 of the private housing finance law,
40 as added by chapter 499 of the laws of 1970 and as further amended by
41 section 104 of part A of chapter 62 of the laws of 2011, is amended to
42 read as follows:

43 2. Banking institutions AND INSURANCE COMPANIES may exercise such
44 power on such conditions as may be prescribed OR AUTHORIZED by the
45 superintendent of financial services [of the state department of finan-
46 cial services and insurance companies may exercise such power only to
47 the extent and on such conditions as may be authorized by the state
48 superintendent of financial services].

49 S 74. Section 454 of the private housing finance law, as added by
50 chapter 862 of the laws of 1973 and as further amended by section 104 of
51 part A of chapter 62 of the laws of 2011, is amended to read as follows:

52 S 454. Servicing of municipal loans by banking institutions. The muni-
53 cipality is authorized to make provision, either in the loan agreement
54 or by separate agreement, for the performance by one or more banking
55 institutions of such services as are generally performed by any such
56 bank itself owning and holding such a loan and as may be approved by the

1 superintendent of financial services [of the state department of finan-
2 cial services], for which services a bank may make and collect such
3 service charges as the superintendent [of financial services] shall
4 prescribe or approve.

5 S 75. Subdivision 1 of section 474 of the private housing finance law,
6 as added by chapter 786 of the laws of 1987 and as further amended by
7 section 104 of part A of chapter 62 of the laws of 2011, is amended to
8 read as follows:

9 1. The agency is authorized to make provision in the note and loan
10 agreement or by separate agreement for the performance by one or more
11 banking institutions of such services as are generally performed by any
12 such bank itself owning and holding such a loan and as may be approved
13 by the superintendent of financial services [of the state department of
14 financial services] for which services a bank may make and collect such
15 service charges as the superintendent [of financial services] shall
16 prescribe or approve.

17 S 76. Subdivision 7 of section 802 of the private housing finance law,
18 as added by chapter 822 of the laws of 1976 and as further amended by
19 section 104 of part A of chapter 62 of the laws of 2011, is amended to
20 read as follows:

21 7. Banking organizations [may exercise such power on such conditions
22 as may be prescribed by the superintendent of financial services of the
23 state department of financial services,] and insurance companies may
24 exercise such power only to the extent and on such conditions as may be
25 authorized by the state superintendent of financial services.

26 S 77. Subdivision 1 of section 1835-b of the public authorities law,
27 as amended by chapter 118 of the laws of 1990 and as further amended by
28 section 104 of part A of chapter 62 of the laws of 2011, is amended to
29 read as follows:

30 1. To prescribe standards and criteria for the granting of applica-
31 tions for loans to lenders and for the making of loans for agricultural
32 business projects, which standards and criteria shall implement the
33 intent and purposes of this subtitle. In developing such standards and
34 criteria the authority shall consult with the superintendent of finan-
35 cial services [and superintendent of financial services] regarding the
36 qualifications of lenders and with the commissioner of agriculture and
37 markets and the commissioner of economic development regarding the stan-
38 dards and criteria for the making of loans for business projects.

39 S 78. Subdivision 3 of section 4602 of the public health law, as added
40 by chapter 401 of the laws of 2003 and as further amended by section 104
41 of part A of chapter 62 of the laws of 2011, is amended to read as
42 follows:

43 3. The council shall establish guidelines under which the commission-
44 er[, with the advice and consent of the superintendent of financial
45 services,] is authorized to approve or reject any proposed refinancing,
46 if the council has already approved an application pursuant to paragraph
47 a of subdivision two of this section.

48 S 79. Paragraph (e) of subdivision 1 of section 73 of the public offi-
49 cers law, as amended by chapter 813 of the laws of 1987 and as further
50 amended by section 104 of part A of chapter 62 of the laws of 2011, is
51 amended to read as follows:

52 (e) The term "regulatory agency" shall mean the department of finan-
53 cial services, [department of financial services,] state liquor authori-
54 ty, department of agriculture and markets, department of education,
55 department of environmental conservation, department of health, division
56 of housing and community renewal, department of state, other than the

1 division of corporations and state records, department of public
2 service, the industrial board of appeals in the department of labor and
3 the department of law, other than when the attorney general or his
4 agents or employees are performing duties specified in section sixty-
5 three of the executive law.

6 S 80. Paragraph (a) of subdivision 3 and paragraph (a) of subdivision
7 3-a of section 265-b of the real property law, paragraph (a) of subdivi-
8 sion 3 as added by chapter 472 of the laws of 2008, paragraph (a) of
9 subdivision 3-a as added by chapter 553 of the laws of 2010 and such
10 subdivisions as further amended by section 104 of part A of chapter 62
11 of the laws of 2011, are amended, and a new subdivision 5 is added to
12 read as follows:

13 (a) A distressed property consulting contract shall:

14 (i) contain the entire agreement of the parties;

15 (ii) be provided in writing to the homeowner for review before sign-
16 ing;

17 (iii) be printed in at least twelve point type and written in the same
18 language that is used by the homeowner and was used in discussions
19 between the consultant and the homeowner to describe the consultant's
20 services or to negotiate the contract;

21 (iv) fully disclose the exact nature of the distressed property
22 consulting services to be provided by the distressed property consultant
23 or anyone working in association with the distressed property consult-
24 ant;

25 (v) fully disclose the total amount and terms of compensation for such
26 consulting services;

27 (vi) contain the name, business address and telephone number of the
28 consultant and the street address (if different) and facsimile number or
29 email address of the distressed property consultant where communications
30 from the homeowner may be delivered;

31 (vii) be dated and personally signed by the homeowner and the
32 distressed property consultant and be witnessed and acknowledged by a
33 New York notary public; and

34 (viii) contain the following notice, which shall be printed in at
35 least fourteen point boldface type, completed with the name of the
36 distressed property consultant, and located in immediate proximity to
37 the space reserved for the homeowner's signature:

38 "NOTICE REQUIRED BY NEW YORK LAW

39 You may cancel this contract, without any penalty or obligation, at
40 any time before midnight of (fifth business day after
41 execution).

42 (Name of Distressed Property Consultant) (the "Consultant") or
43 anyone working for the Consultant may not take any money from you or ask
44 you for money until the Consultant has completely finished doing every-
45 thing this Contract says the Consultant will do.

46 You should consider consulting an attorney or a government-approved
47 housing counselor before signing any legal document concerning your
48 home. It is advisable that you find your own attorney, and not consult
49 with an attorney recommended or provided to you by the Consultant. A
50 list of housing counselors may be found on the website of the New York
51 State Department of Financial Services, [www.banking.state.ny.us] (ENTER
52 WEB ADDRESS) or by calling the Department of Financial Services toll-
53 free at [1-877-BANK-NYS (1-877-226-5697)] (ENTER NUMBER). The law
54 requires that this contract contain the entire agreement between you and
55 the Consultant. You should not rely upon any other written or oral
56 agreement or promise."

1 The distressed property consultant shall accurately enter the date on
2 which the right to cancel ends.

3 (a) All advertisements disseminated by a distressed property consult-
4 ant must prominently include the following statement: "In New York
5 State, Housing Counselors, who are approved by the U.S. Department of
6 Housing & Urban Development or the New York State Department of Finan-
7 cial Services, may provide the same or similar services as a distressed
8 property consultant for free. A list of approved Housing Counselors can
9 be found on the New York State Department of Financial Services website
10 at [www.banking.state.ny.us] (ENTER WEB ADDRESS) or by contacting the
11 New York State Department of Financial Services toll-free at
12 [1-877-BANK-NYS (1-877-226-5697)] (ENTER NUMBER). You should consider
13 consulting an attorney or a government-approved housing counselor before
14 signing any legal document concerning a distressed property consultant."
15 Such statement, if disseminated by print media or the internet, shall be
16 clearly and legibly printed or displayed in not less than twelve-point
17 bold type, or, if the advertisement is printed to be displayed in print
18 that is smaller than twelve point, in bold type print that is no smaller
19 than the print in which the text of the advertisement is printed or
20 displayed.

21 5. THE DEPARTMENT OF FINANCIAL SERVICES SHALL PRESCRIBE THE TELEPHONE
22 NUMBER AND WEB ADDRESS TO BE INCLUDED IN THE NOTICE.

23 S 81. Paragraph (g) of subdivision 1 of section 280 of the real prop-
24 erty law is REPEALED, and paragraph (f) of subdivision 1, as added by
25 chapter 613 of the laws of 1993 and as further amended by section 104 of
26 part A of chapter 62 of the laws of 2011, is amended to read as follows:

27 (f) Superintendent of financial services. The superintendent estab-
28 lished pursuant to section [thirteen] TWO HUNDRED TWO of the [banking]
29 FINANCIAL SERVICES law.

30 S 82. Paragraph (g) of subdivision 1 of section 280-a of the real
31 property law is REPEALED, and paragraph (f) of subdivision 1 as added by
32 chapter 613 of the laws of 1993 and as further amended by section 104 of
33 part A of chapter 62 of the laws of 2011, is amended to read as follows:

34 (f) Superintendent of financial services. The superintendent estab-
35 lished pursuant to section [thirteen] TWO HUNDRED TWO of the [banking]
36 FINANCIAL SERVICES law.

37 S 83. Subdivision 5 of section 1303 of the real property actions and
38 proceedings law, as amended by chapter 358 of the laws of 2010, is
39 amended to read as follows:

40 5. The notice required by paragraph (b) of subdivision one of this
41 section shall appear as follows:

42 Notice to Tenants of Buildings in Foreclosure

43 New York State Law requires that we provide you this notice about the
44 foreclosure process. Please read it carefully.

45 We, (name of foreclosing party), are the foreclosing party and are
46 located at (foreclosing party's address). We can be reached at (fore-
47 closing party's telephone number).

48 The dwelling where your apartment is located is the subject of a fore-
49 closure proceeding. If you have a lease, are not the owner of the resi-
50 dence, and the lease requires payment of rent that at the time it was
51 entered into was not substantially less than the fair market rent for
52 the property, you may be entitled to remain in occupancy for the remain-
53 der of your lease term. If you do not have a lease, you will be entitled
54 to remain in your home until ninety days after any person or entity who
55 acquires title to the property provides you with a notice as required by
56 section 1305 of the Real Property Actions and Proceedings Law. The

notice shall provide information regarding the name and address of the new owner and your rights to remain in your home. These rights are in addition to any others you may have if you are a subsidized tenant under federal, state or local law or if you are a tenant subject to rent control, rent stabilization or a federal statutory scheme.

ALL RENT-STABILIZED TENANTS AND RENT-CONTROLLED TENANTS ARE PROTECTED UNDER THE RENT REGULATIONS WITH RESPECT TO EVICTION AND LEASE RENEWALS. THESE RIGHTS ARE UNAFFECTED BY A BUILDING ENTERING FORECLOSURE STATUS. THE TENANTS IN RENT-STABILIZED AND RENT-CONTROLLED BUILDINGS CONTINUE TO BE AFFORDED THE SAME LEVEL OF PROTECTION EVEN THOUGH THE BUILDING IS THE SUBJECT OF FORECLOSURE. EVICTIONS CAN ONLY OCCUR IN NEW YORK STATE PURSUANT TO A COURT ORDER AND AFTER A FULL HEARING IN COURT.

If you need further information, please call the New York State [Banking Department's] DEPARTMENT OF FINANCIAL SERVICES' toll-free helpline at [1-877-BANK-NYS (1-877-226-5697)] (ENTER NUMBER) or visit the Department's website at [<http://www.banking.state.ny.us>] (ENTER WEB ADDRESS).

S 84. Subdivision 1 of section 1304 of the real property actions and proceedings law, as amended by chapter 507 of the laws of 2009 and as further amended by section 104 of part A of chapter 62 of the laws of 2011, is amended and a new subdivision 6 is added to read as follows:

1. Notwithstanding any other provision of law, with regard to a home loan, at least ninety days before a lender, an assignee or a mortgage loan servicer commences legal action against the borrower, including mortgage foreclosure, such lender, assignee or mortgage loan servicer shall give notice to the borrower in at least fourteen-point type which shall include the following:

"YOU COULD LOSE YOUR HOME. PLEASE READ THE FOLLOWING NOTICE CAREFULLY"

"As of ____, your home loan is ____ days in default. Under New York State Law, we are required to send you this notice to inform you that you are at risk of losing your home. You can cure this default by making the payment of ____ dollars by ____.

If you are experiencing financial difficulty, you should know that there are several options available to you that may help you keep your home. Attached to this notice is a list of government approved housing counseling agencies in your area which provide free or very low-cost counseling. You should consider contacting one of these agencies immediately. These agencies specialize in helping homeowners who are facing financial difficulty. Housing counselors can help you assess your financial condition and work with us to explore the possibility of modifying your loan, establishing an easier payment plan for you, or even working out a period of loan forbearance. If you wish, you may also contact us directly at _____ and ask to discuss possible options.

While we cannot assure that a mutually agreeable resolution is possible, we encourage you to take immediate steps to try to achieve a resolution. The longer you wait, the fewer options you may have.

If this matter is not resolved within 90 days from the date this notice was mailed, we may commence legal action against you (or sooner if you cease to live in the dwelling as your primary residence.)

If you need further information, please call the New York State Department of Financial Services' toll-free helpline at [1-877-BANK-NYS (1-877-226-5697)] (SHOW NUMBER) or visit the Department's website at [<http://www.banking.state.ny.us>] (SHOW WEB ADDRESS)".

6. THE DEPARTMENT OF FINANCIAL SERVICES SHALL PRESCRIBE THE TELEPHONE NUMBER AND WEB ADDRESS TO BE INCLUDED IN THE NOTICE.

1 S 85. Subdivision 1 of section 1304 of the real property actions and
2 proceedings law, as added by chapter 472 of the laws of 2008 and as
3 further amended by section 104 of part A of chapter 62 of the laws of
4 2011, is amended and a new subdivision 6 is added to read as follows:

5 1. Notwithstanding any other provision of law, with regard to a high-
6 cost home loan, as such term is defined in section six-1 of the banking
7 law, a subprime home loan or a non-traditional home loan, at least nine-
8 ty days before a lender or a mortgage loan servicer commences legal
9 action against the borrower, including mortgage foreclosure, the lender
10 or mortgage loan servicer shall give notice to the borrower in at least
11 fourteen-point type which shall include the following:

12 "YOU COULD LOSE YOUR HOME. PLEASE READ THE FOLLOWING
13 NOTICE CAREFULLY"

14 "As of ____, your home loan is ____ days in default. Under New York
15 State Law, we are required to send you this notice to inform you that
16 you are at risk of losing your home. You can cure this default by making
17 the payment of _____ dollars by ____.

18 If you are experiencing financial difficulty, you should know that
19 there are several options available to you that may help you keep your
20 home. Attached to this notice is a list of government approved housing
21 counseling agencies in your area which provide free or very low-cost
22 counseling. You should consider contacting one of these agencies imme-
23 diately. These agencies specialize in helping homeowners who are facing
24 financial difficulty. Housing counselors can help you assess your finan-
25 cial condition and work with us to explore the possibility of modifying
26 your loan, establishing an easier payment plan for you, or even working
27 out a period of loan forbearance. If you wish, you may also contact us
28 directly at _____ and ask to discuss possible options.

29 While we cannot assure that a mutually agreeable resolution is possi-
30 ble, we encourage you to take immediate steps to try to achieve a resol-
31 ution. The longer you wait, the fewer options you may have.

32 If this matter is not resolved within 90 days from the date this
33 notice was mailed, we may commence legal action against you (or sooner
34 if you cease to live in the dwelling as your primary residence.)

35 If you need further information, please call the New York State
36 Department of Financial Services' toll-free helpline at [1-877-BANK-NYS
37 (1-877-226-5697)] (SHOW NUMBER) or visit the Department's website at
38 [<http://www.banking.state.ny.us>] (SHOW WEB ADDRESS)".

39 6. THE DEPARTMENT OF FINANCIAL SERVICES SHALL PRESCRIBE THE TELEPHONE
40 NUMBER AND WEB ADDRESS TO BE INCLUDED IN THE NOTICE.

41 S 86. Subdivision 3 of section 953 of the real property tax law, as
42 added by chapter 440 of the laws of 1989 and as further amended by
43 section 104 of part A of chapter 62 of the laws of 2011, is amended to
44 read as follows:

45 3. Every mortgage investing institution shall deposit funds from a
46 real property tax escrow account of a mortgagor in a banking institution
47 whose deposits are insured by a federal agency or a licensed branch of a
48 foreign banking corporation whose deposits are insured by a federal
49 agency. Notwithstanding the foregoing provisions of this subdivision,
50 the superintendent of financial services shall have the power[, by a
51 three-fifths vote of all its members,] to exempt from the requirements
52 of this subdivision any banking organization which does not receive
53 deposits or share accounts from the general public.

54 S 87. Paragraph a of subdivision 8 of section 5 of the state finance
55 law, as amended by chapter 201 of the laws of 1997 and as further

1 amended by section 104 of part A of chapter 62 of the laws of 2011, is
2 amended to read as follows:

3 a. The term "financial organization" shall mean an organization
4 authorized to do business in the state of New York and (A) which is an
5 authorized fiduciary to act as a trustee pursuant to the provisions of
6 an act of congress entitled "Employee Retirement Income Security Act of
7 1974" as such provisions may be amended from time to time, or an insur-
8 ance company; and (B) (i) is licensed or chartered by the state depart-
9 ment of financial services, (ii) [is licensed or chartered by the state
10 department of financial services, (iii)] is chartered by an agency of
11 the federal government, [(iv)] (III) is subject to the jurisdiction and
12 regulation of the securities and exchange commission of the federal
13 government, or [(v)] (IV) is any other entity otherwise authorized to
14 act in this state as a trustee pursuant to the provisions of an act of
15 congress entitled "Employee Retirement Income Security Act of 1974" as
16 such provisions may be amended from time to time.

17 S 88. Section 14 of the state finance law, the closing paragraph as
18 further amended by section 104 of part A of chapter 62 of the laws of
19 2011, is amended to read as follows:

20 S 14. Departmental statements. In addition to the annual department
21 reports prescribed by law, the head of each department of the state, on
22 or before the fifteenth day of October in each year, shall submit to the
23 governor a statement of the sources, amounts and disposition of all
24 money received by such department, its divisions, bureaus or officers
25 for the preceding fiscal year other than money appropriated for such
26 department by the legislature or money [which] THAT was paid by such
27 department into the treasury. Such statement shall include a description
28 of the nature and the amount of each fund, if any, then under the super-
29 vision or control of such department or the head thereof or under the
30 supervision or control of any division, bureau, commission, board or
31 other organization therein or under the supervision or control of the
32 head or any other officer of such division, bureau, commission, board or
33 organization, which was derived from any source whether or not deposited
34 in the treasury, a citation of the statute authorizing the creation or
35 establishment of each such fund and the nature and amount of any
36 payments made therefrom during the preceding fiscal year. The director
37 of the budget in the executive department shall make rules, which shall
38 be approved by the governor, regulating the form and contents of such
39 statements. Copies of such statements shall be simultaneously furnished
40 to the senate finance committee and the assembly ways and means commit-
41 tee for their information.

42 The governor, in such form and with such explanation as [he] THE
43 GOVERNOR may desire, shall transmit to the legislature, with the annual
44 budget, a recapitulation or summary of the information contained in such
45 statements arranged under appropriate headings for each department. The
46 provisions of this section shall not apply to any funds received by the
47 superintendent of financial services [or the superintendent of financial
48 services] in a fiduciary capacity or to the state teachers' retirement
49 fund, or any state employees' retirement and pension fund, but such
50 exemption from the application of this section shall not affect any
51 other provision of law requiring a report or statement of such funds.

52 S 89. Section 106 of the state finance law, the second undesignated
53 paragraph as amended by chapter 293 of the laws of 1992, subdivision B
54 and the closing paragraph as amended by chapter 583 of the laws of 1941,
55 subdivision C as added by chapter 551 of the laws of 2010, and the clos-

1 ing paragraph as further amended by section 104 of part A of chapter 62
2 of the laws of 2011, is amended to read as follows:

3 S 106. Deposit of moneys by state officers, state institutions and
4 charitable and benevolent institutions. Such moneys received by the
5 commissioner of taxation and finance as are now deposited to the credit
6 of the comptroller pursuant to statute, and thereafter paid into the
7 state treasury, shall be deposited by him OR HER to the credit of the
8 comptroller in such bank or trust company as shall be designated by the
9 comptroller at such rate of interest, if any, as shall be agreed upon by
10 the depository and the comptroller.

11 All other moneys received by the commissioner of taxation and finance
12 except as provided in section one hundred five of this article and all
13 moneys received by any other state officer or other person receiving
14 moneys belonging to the state, or for which such state officer or other
15 person may be responsible in his OR HER official capacity, and all
16 moneys received by any state institution, except for moneys received
17 pursuant to a clinical practice plan established pursuant to subdivision
18 fourteen of section two hundred six of the public health law and all
19 moneys received from the state by any charitable or benevolent institu-
20 tion supported in whole or in part by the state, shall be deposited to
21 his, HER, or its credit in such bank or trust company as shall be desig-
22 nated by the comptroller at such rate of interest, if any, as shall be
23 agreed upon by the depository and the comptroller.

24 Every bank or trust company designated by the comptroller for the
25 deposit of any such moneys

26 A. Shall give a bond with sufficient sureties for the security of such
27 deposit, to be approved by the comptroller and filed in his OR HER
28 office,

29 B. Or shall, in lieu of such surety bond, with the permission of the
30 comptroller deposit with the comptroller such outstanding unmatured
31 bonds or notes or such certified check or checks as are described in
32 section one hundred five of this article. The comptroller may, in his OR
33 HER discretion, accept and substitute for any surety bond or undertaking
34 given, pursuant to this section, a bond or undertaking in such form and
35 with other surety or sureties, or other security as required by this
36 section, for such sums as may be prescribed and approved by the comp-
37 troller for the safe keeping and prompt payment of such moneys on legal
38 demand therefor with interest, if any, and the comptroller may thereupon
39 execute and deliver to the surety or sureties, upon the former bond or
40 undertaking, a release of such surety or sureties from any liability
41 accruing subsequent to the date of such release. Such release shall not
42 relieve such surety or sureties from any obligation for losses incurred
43 prior to the date thereof. On the withdrawal of all moneys from any such
44 depository and a closing and settlement of the account thereof, the
45 comptroller may in his OR HER discretion certify to such settlement and
46 release to the obligor or owner or owners entitled thereto, of such
47 surety bond, undertaking, certified check or checks, or other security
48 deposited with him OR HER.

49 C. Notwithstanding any other provisions of this section, the comp-
50 troller shall not designate for the deposit of moneys by state officers,
51 state institutions and charitable and benevolent institutions supported
52 in whole or in part by the state a banking institution to which the
53 Community Reinvestment Act of 1977, United States P.L. 95-128, applies
54 unless such institution shall have received a record of performance no
55 lower than "satisfactory" as determined under such act in accordance
56 with section twenty-eight-b of the banking law.

1 This section shall not apply to any funds held by the superintendent
2 of financial services [or the superintendent of financial services] in a
3 fiduciary capacity.

4 S 90. Subdivisions 6 and 7 of section 201 of the state finance law, as
5 amended by chapter 233 of the laws of 1992 and as further amended by
6 section 104 of part A of chapter 62 of the laws of 2011, are amended to
7 read as follows:

8 6. Notwithstanding any other law to the contrary, where, and to the
9 extent that, an agreement between the state and an employee organization
10 pursuant to article fourteen of the civil service law authorizes partic-
11 ipation in an individual retirement account plan by employees covered by
12 such agreement, the comptroller, after receipt of written directions
13 from the director of employee relations where such agreement covers
14 employees in the executive branch or from the chief administrator of the
15 courts where such agreement covers employees in the judicial branch, is
16 authorized to deduct from the salary of any employee covered by such an
17 agreement an amount [which] THAT the employee may specify in writing
18 filed in a manner determined by the comptroller for contribution to such
19 plan in accordance with the Economic Recovery Tax Act of 1981 (P.L.
20 97-34) and transmit deductions so withheld to the financial organization
21 issuing such plan in accordance with the provisions of such agreement.
22 For the purposes of this subdivision, subject to the rules and regu-
23 lations promulgated by the comptroller, the term "financial organiza-
24 tion" shall mean an organization authorized to do business in the state
25 of New York and which is an authorized fiduciary to act as a trustee
26 under an individual retirement account plan established pursuant to the
27 provisions of an act of congress entitled "Employee Retirement Income
28 Security Act of 1974" as such provisions may be amended from time to
29 time, and (i) is licensed or chartered by the state department of finan-
30 cial services, (ii) [is licensed or chartered by the state department of
31 financial services, (iii)] is chartered by an agency of the federal
32 government, [(iv)] (III) is subject to the jurisdiction and regulation
33 of the securities and exchange commission of the federal government, or
34 [(v)] (IV) is any other entity otherwise authorized to act in this state
35 as a trustee of an individual retirement account plan established pursu-
36 ant to the provisions of an act of congress entitled "Employee Retire-
37 ment Income Security Act of 1974" as such provisions may be amended from
38 time to time; provided, however, that any contributions made pursuant to
39 this section shall be made to a financial organization whose offices are
40 located in this state. Any such written authorization may be withdrawn
41 by the employee at any time upon filing written notice of such with-
42 drawal in a manner determined by the comptroller or such deduction may
43 be terminated on notice to the comptroller by the financial organization
44 in accordance with the terms of such plan. Notwithstanding this subdivi-
45 sion, an organization defined by subdivision nine of section two of the
46 banking law or a credit union chartered by the United States and having
47 its principal office in the state of New York and which is otherwise
48 entitled under this section to receive payments deducted from the salary
49 of a state employee shall have the right to, and continue to have the
50 right to, receive such payments for the purpose of individual retirement
51 account plans offered by such organizations.

52 7. Notwithstanding any other law to the contrary, where, and to the
53 extent that, an agreement between the state and an employee organization
54 entered into pursuant to article fourteen of the civil service law so
55 provides on behalf of employees in the collective negotiating unit
56 designated as the professional services negotiating unit established

1 pursuant to article fourteen of the civil service law authorizes partic-
2 ipation in an annuity contract by employees covered by such agreement,
3 the comptroller, after receipt of written directions from the director
4 of employee relations, is authorized to deduct from the salary of any
5 employee covered by such an agreement an amount [which] THAT the employ-
6 ee may specify in writing filed in a manner determined by the comp-
7 troller for contribution to such plan or plans in accordance with
8 section four hundred three (b) of the Internal Revenue Code (26 USC S
9 403(b)) and transmit deductions so withheld to the financial organiza-
10 tion or organizations issuing such plan in accordance with the
11 provisions of such agreement. For the purposes of this subdivision,
12 subject to the rules and regulations promulgated by the comptroller, the
13 term "financial organization" shall mean an organization authorized to
14 do business in the state of New York and which (i) is licensed or char-
15 tered by the state department of financial services, (ii) [is licensed
16 or chartered by the state department of financial services, (iii)] is
17 chartered by an agency of the federal government, or [(iv)] (III) is
18 subject to the jurisdiction and regulation of the securities and
19 exchange commission of the federal government; provided, however, that
20 any contribution made pursuant to this section shall be made to a finan-
21 cial organization whose offices are located in this state. Any such
22 written authorization may be withdrawn by the employee at any time upon
23 filing written notice of such withdrawal in a manner determined by the
24 comptroller or such deduction may be terminated on notice to the comp-
25 troller by the financial organization in accordance with the terms of
26 such plan.

27 S 91. Paragraph b of subdivision 1 of section 208 of the state finance
28 law, as added by chapter 460 of the laws of 1982 and as further amended
29 by section 104 of part A of chapter 62 of the laws of 2011, is amended
30 to read as follows:

31 b. The term "financial organization" as used in this section shall
32 mean an organization [which] THAT is authorized to do business in the
33 state of New York, and is licensed or chartered by the state department
34 of financial services [or the state department of financial services],
35 is chartered by an agency of the federal government, or is subject to
36 the jurisdiction of the securities and exchange commission.

37 S 92. Section 94 of article 7 of chapter 784 of the laws of 1951
38 constituting the defense emergency act of 1951 is REPEALED.

39 S 93. This act shall take effect immediately provided, however, that
40 the amendments to paragraph 3 of subdivision (e) of section 1120 of the
41 insurance law made by section fifty-eight of this act shall be subject
42 to the expiration and reversion of such paragraph pursuant to chapter 2
43 of the laws of 1998, as amended, when upon such date the provisions of
44 section fifty-nine of this act shall take effect; and provided, further,
45 that the amendments to section 1304 of the real property actions and
46 proceedings law made by section eighty-four of this act shall be subject
47 to the expiration and reversion of such subdivision when upon such date
48 the provisions of section eighty-five of this act shall take effect.