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

4575--A

2013-2014 Regular Sessions

I N S E N A T E

April 11, 2013

Introduced by Sen. LAVALLE -- read twice and ordered printed, and when printed to be committed to the Committee on Higher Education -- recommitted to the Committee on Higher Education in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the education law and the state finance law, in relation to the student loan linked deposit act

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

Section 1. Legislative findings and declaration of purpose. The legislature hereby finds that the costs of completing higher education for residents of the state of New York are increasing at a rate significantly faster than the rate of inflation. Paying out of pocket has become increasingly difficult for families and students seeking to improve their educational and economic prospects. An affordable college education has become increasingly inaccessible to large numbers of middle class families in the state, for whom financial resources, including state grants and scholarships, are either limited or unavailable. Many families and students have no choice but to turn to the private lending market in order to finance their higher education.

Compounding the problem is the fact that typical interest rates for student loans offered through the private lending market are relatively high when compared to interest rates for other purposes, such as a mortgage or automobile. Additionally, the average student loan debt upon graduation is more than $26,000 per student in the state. Reducing the debt burden that students endure upon graduating college has become a critical public policy goal.

As increasing the share of the state's population that undertakes and completes higher education is also a desirable public policy goal, and an individual's decision to complete a program of postsecondary education typically reaps economic and social rewards to the individual, the

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

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legislature hereby declares that it is in the best interest of the state to create a student loan linked deposit program whereby the state will subsidize private lenders to provide reduced-rate loans to students.

S 2. Paragraph c of subdivision 1 of section 680 of the education law, as added by chapter 622 of the laws of 2008, is amended and a new paragraph d is added to read as follows:

c. To enter into cooperative agreements, subject to the approval of the board of trustees and the director of the budget, with other entities, including, but not limited to, other states, the federal government, and post-secondary institutions, to establish, administer, and operate federal student aid programs. Notwithstanding the provisions of paragraphs a and b of this subdivision, the corporation is authorized, pursuant to such cooperative agreements, to provide federal student aid services to students and families who are not residents of New York state[.]; AND

D. TO ADMINISTER AND OPERATE A STUDENT LOAN LINKED DEPOSIT PROGRAM PURSUANT TO ARTICLE FIFTEEN-A OF THE STATE FINANCE LAW.

S 3. Subdivision 2 of section 98-a of the state finance law, as added by chapter 705 of the laws of 1993, is amended to read as follows:

2. Notwithstanding any provision of law to the contrary, investment of bond proceeds and other funds not immediately required may be invested by the comptroller in linked deposits pursuant to article fifteen OR ARTICLE FIFTEEN-A of this chapter. If any moneys are invested by the comptroller in linked deposits pursuant to article fifteen OR ARTICLE FIFTEEN-A of this chapter, the comptroller shall compute the monthly earnings for all funds, other than the general fund, as if no such moneys had been invested in such linked deposits.

S 4. The state finance law is amended by adding a new article 15-A to read as follows:

ARTICLE 15-A

STUDENT LOAN LINKED DEPOSIT ACT

SECTION 225. SHORT TITLE.
226. DEFINITIONS.
227. ESTABLISHMENT AND PURPOSE; STUDENT LOAN LINKED DEPOSIT PROGRAM AUTHORIZATION.
228. RESPONSIBILITIES OF THE PRESIDENT, COMPTROLLER AND SUPERINTENDENT.
229. RELEASE FROM LINKED DEPOSITS.
230. LINKED STUDENT LOANS.
231. INTEREST RATE FOR LINKED LOANS; NO LENDER'S FEES.
232. APPLICATION PROCEDURE.
233. REPAYMENT PERIODS FOR LINKED STUDENT LOANS.
234. LIABILITY; EARLY REPAYMENT AND WITHDRAWAL.
234-A. MONITORING AND REPORT.
234-B. PROMOTION OF PROGRAM.
234-C. RULES AND REGULATIONS.

S 225. SHORT TITLE. THIS ARTICLE SHALL BE KNOWN AND MAY BE CITED AS THE "STUDENT LOAN LINKED DEPOSIT ACT".

S 226. DEFINITIONS. WHEN USED IN THIS ARTICLE, UNLESS A DIFFERENT MEANING CLEARLY APPEARS FROM THE CONTEXT, THE FOLLOWING TERMS SHALL HAVE THE FOLLOWING MEANINGS:

1. "AUTHORIZED DEPOSITOR" MEANS THE COMPTROLLER WITH RESPECT TO LINKED DEPOSITS MADE BY THE COMPTROLLER.

2. "COMPTROLLER" MEANS THE COMPTROLLER OF THE STATE OF NEW YORK.

3. "DEPARTMENT" MEANS THE DEPARTMENT OF FINANCIAL SERVICES.

4. "ELIGIBLE RECIPIENT" MEANS AN INDIVIDUAL THAT HAS SUCCESSFULLY APPLIED FOR A LINKED STUDENT LOAN AND MET ALL REQUIREMENTS PRESCRIBED BY THE PRESIDENT AND A LENDING INSTITUTION FOR RECEIPT OF A LOAN.

5. "LENDER" MEANS:

(A) ANY COMMERCIAL BANK WHICH IS OR SHALL BECOME AN APPROVED DEPOSITORY OF STATE FUNDS UNDER THE PROVISIONS OF SECTION ONE HUNDRED FIVE OF THIS CHAPTER AND WHICH AGREES TO PARTICIPATE IN THE PROGRAM; OR

(B) ANY THRIFT WHICH AN AUTHORIZED DEPOSITOR DETERMINES IS ELIGIBLE TO ACCEPT LINKED DEPOSITS BASED UPON CRITERIA APPLIED BY THE AUTHORIZED DEPOSITOR IN MAKING DETERMINATIONS UNDER SECTION ONE HUNDRED FIVE OF THIS CHAPTER, AND WHICH AGREES TO PARTICIPATE IN THE PROGRAM, PROVIDED THAT ANY LINKED DEPOSIT IN SUCH THRIFT SHALL BE SECURED IN THE SAME MANNER AS MONEYS DEPOSITED PURSUANT TO SECTION ONE HUNDRED FIVE OF THIS CHAPTER AND SUCH THRIFTS SHALL PLEDGE ASSETS OR FURNISH OTHER SECURITY SATISFACTORY IN FORM AND AMOUNT TO THE AUTHORIZED DEPOSITOR FOR THE REPAYMENT OF MONEYS.

6. "LINKED DEPOSIT" MEANS A DEPOSIT PLACED WITH A LENDER BY THE COMPTROLLER FOR A PERIOD OF FOUR YEARS AT THE LINKED DEPOSIT INTEREST RATE, PROVIDED THE LENDER AGREES TO:

(A) LEND THE EQUIVALENT VALUE OF SUCH DEPOSIT TO AN ELIGIBLE RECIPIENT AT THE INTEREST RATE PROVIDED IN SECTION TWO HUNDRED THIRTY-ONE OF THIS ARTICLE; AND

(B) PERMIT THE DEPOSIT TO BE COMPRISED OF A SERIES OF NINETY DAY DEPOSITS EACH BEARING AN INTEREST RATE EQUAL TO THE LINKED DEPOSIT INTEREST RATE FIXED AT THE TIME THE ORIGINAL DEPOSIT IS PLACED.

THIS ARTICLE AND THE RELATED STATUTES THAT REFER TO THIS ARTICLE DO NOT GRANT THRIFTS ELIGIBILITY TO ACCEPT PUBLIC FUNDS OR PUBLIC MONEYS FROM PUBLIC ENTITIES FOR INVESTMENT PURPOSES. A LINKED DEPOSIT IS INTENDED TO ENABLE A LENDER TO MAKE A LINKED LOAN TO AN ELIGIBLE RECIPIENT AND SUCH DEPOSIT EARNS A YIELD LOWER THAN POSTED RATES IN ORDER TO ACCOMPLISH THE GOALS OF THIS ARTICLE.

7. "LINKED DEPOSIT INTEREST RATE" MEANS FOR A LINKED DEPOSIT MADE IN CONNECTION WITH A LINKED LOAN TO AN ELIGIBLE RECIPIENT A FIXED RATE OF INTEREST WHICH IS THREE HUNDRED BASIS POINTS BELOW THE LENDER'S POSTED FOUR YEAR CERTIFICATE OF DEPOSIT RATE OR, IF THE LENDER DOES NOT OFFER A FOUR YEAR CERTIFICATE OF DEPOSIT, IS THREE HUNDRED BASIS POINTS BELOW THE AVERAGE STATEWIDE RATE FOR FOUR YEAR CERTIFICATES OF DEPOSIT AS DETERMINED BY THE SUPERINTENDENT OF FINANCIAL SERVICES. IN THE EVENT THAT THE LENDER'S POSTED FOUR YEAR CERTIFICATE OF DEPOSIT RATE, OR THE AVERAGE STATEWIDE RATE FOR FOUR YEAR CERTIFICATES OF DEPOSIT ARE BELOW THREE HUNDRED BASIS POINTS, THE LINKED DEPOSIT INTEREST RATE SHALL NOT BE LESS THAN ZERO.

8. "LINKED LOAN" MEANS A LOAN MADE TO AN ELIGIBLE RECIPIENT, IN AN AMOUNT EQUAL TO A LINKED DEPOSIT AND BEARING INTEREST FOR THE FIRST FOUR YEARS AT THE INTEREST RATE PROVIDED IN SECTION TWO HUNDRED THIRTY-ONE OF THIS ARTICLE.

9. "PRESIDENT" MEANS THE PRESIDENT OF THE HIGHER EDUCATION SERVICES CORPORATION.

10. "PROGRAM" MEANS THE STUDENT LOAN LINKED DEPOSIT PROGRAM.

11. "QUALIFIED EDUCATIONAL EXPENSES" MEANS THE ACTUAL OR EXPECTED COST OF A STUDENT'S HIGHER EDUCATION, WHICH SHALL INCLUDE THE FULL QUARTERLY, SEMESTERLY OR ANNUAL COST OF TUITION, FEES, BOOKS, SUPPLIES, ROOM AND BOARD.

12. "THRIFT" MEANS ANY SAVINGS BANK OR SAVINGS AND LOAN ASSOCIATION, FEDERAL SAVINGS BANK OR FEDERAL SAVINGS AND LOAN ASSOCIATION.

S 227. ESTABLISHMENT AND PURPOSE; STUDENT LOAN LINKED DEPOSIT PROGRAM AUTHORIZATION. THE STUDENT LOAN LINKED DEPOSIT PROGRAM IS HEREBY CREATED. THE PURPOSE OF THE PROGRAM IS TO MAKE AVAILABLE TO RESIDENTS OF NEW YORK STATE REDUCED RATE LOANS THAT WILL ASSIST IN THE FINANCING OF AN IN-STATE COLLEGE EDUCATION. THE COMPTROLLER IS HEREBY AUTHORIZED TO USE ANY MONEYS OF THE STATE THE COMPTROLLER IS AUTHORIZED TO INVEST PURSUANT TO SECTION NINETY-EIGHT-A OF THIS CHAPTER AS LINKED DEPOSITS FOR THE PROGRAM. NOT MORE THAN ONE HUNDRED MILLION DOLLARS OF SUCH MONEYS SHALL BE ON DEPOSIT PURSUANT TO THE PROGRAM AT ANY GIVEN TIME.

S 228. RESPONSIBILITIES OF THE PRESIDENT, COMPTROLLER AND SUPERINTENDENT. 1. THE PRESIDENT SHALL ADMINISTER THE PROGRAM PURSUANT TO SECTION TWO HUNDRED THIRTY-TWO OF THIS ARTICLE, INCLUDING ALL DECISIONS WITH RESPECT TO THE APPLICATION AND USE OF THE PROGRAM FOR ELIGIBLE RECIPIENTS; MARKET AND PROMOTE THE PROGRAM PURSUANT TO SECTION TWO HUNDRED THIRTY-FOUR-B OF THIS ARTICLE; AFTER CONSULTING WITH THE COMPTROLLER AND THE SUPERINTENDENT OF FINANCIAL SERVICES, ISSUE RULES AND REGULATIONS FOR THE OPERATION OF THE PROGRAM PURSUANT TO SECTION TWO HUNDRED THIRTY-FOUR-C OF THIS ARTICLE.

2. THE COMPTROLLER'S RESPONSIBILITIES FOR THE PROGRAM SHALL BE LIMITED TO: PURSUANT TO SECTIONS TWO HUNDRED TWENTY-SEVEN AND TWO HUNDRED THIRTY-TWO OF THIS ARTICLE, PLACING MONEYS ON DEPOSIT AT THE REQUEST OF THE PRESIDENT FOR THE PURPOSES OF THE PROGRAM AND ADMINISTERING SUCH DEPOSITS IN ACCORDANCE WITH SECTIONS NINETY-EIGHT-A AND ONE HUNDRED FIVE OF THIS CHAPTER AND WITH THE COMPTROLLER'S ESTABLISHED PROCEDURES; AND ENTERING INTO DEPOSIT AGREEMENTS WITH LENDERS PURSUANT TO SECTION TWO HUNDRED THIRTY-TWO OF THIS ARTICLE.

3. THE SUPERINTENDENT'S RESPONSIBILITIES FOR THE PROGRAM SHALL BE LIMITED TO MARKETING AND PROMOTING THE PROGRAM PURSUANT TO SECTION TWO HUNDRED THIRTY-FOUR-B OF THIS ARTICLE.

S 229. RELEASE FROM LINKED DEPOSITS. THE AUTHORIZED DEPOSITOR MAY PERMIT FUNDS RELEASED FROM A LINKED DEPOSIT RELATING TO A LINKED LOAN TO BE MADE AVAILABLE FOR ADDITIONAL LINKED DEPOSITS UNDER THIS PROGRAM.

S 230. LINKED STUDENT LOANS. LINKED STUDENT LOANS SHALL BE MADE BY LENDERS PURSUANT TO THE PROGRAM ONLY TO ELIGIBLE RECIPIENTS FOR QUALIFIED EDUCATIONAL EXPENSES. A LINKED LOAN SHALL BE LIMITED TO A MAXIMUM AMOUNT OF SEVEN THOUSAND FIVE HUNDRED DOLLARS PER ACADEMIC YEAR. AN ELIGIBLE RECIPIENT MAY RECEIVE NO MORE THAN ONE LINKED LOAN PER ACADEMIC YEAR. DURING THE LIFE OF THE LINKED LOAN PROGRAM, THE TOTAL AMOUNT OF MONEY THAT AN ELIGIBLE RECIPIENT CAN BORROW FROM THE LINKED STUDENT LOAN PROGRAM SHALL BE THIRTY THOUSAND DOLLARS. THE CREDIT DECISION FOR MAKING A LINKED LOAN SHALL BE MADE SOLELY BY THE LENDER, PROVIDED HOWEVER THAT SUCH LENDER SHALL ENSURE THAT AN ELIGIBLE RECIPIENT COMPLIES WITH THE PROVISIONS OF THIS ARTICLE, INCLUDING ANY RULES OR REGULATIONS ISSUED BY THE PRESIDENT. NOTWITHSTANDING THE LENGTH OF THE TERM OF A LINKED LOAN, THE LINKED DEPOSIT RELATING TO THE LINKED LOAN SHALL BE FOR A PERIOD OF NOT MORE THAN FOUR YEARS.

S 231. INTEREST RATE FOR LINKED LOANS; NO LENDER'S FEES. 1. LINKED LOANS MADE TO ELIGIBLE RECIPIENTS SHALL BEAR INTEREST AT A FIXED RATE EQUAL TO THREE PERCENTAGE POINTS BELOW THE FIXED INTEREST RATE THE LENDER WOULD HAVE CHARGED FOR THE LOAN IN THE ABSENCE OF A LINKED DEPOSIT BASED ON ITS USUAL CREDIT CONSIDERATIONS. LENDERS SHALL CERTIFY TO THE PRESIDENT THAT THE RATE TO BE CHARGED ON A LINKED LOAN IS THREE PERCENTAGE POINTS BELOW THE INTEREST RATE THE LENDER WOULD HAVE CHARGED FOR THE LOAN IN THE ABSENCE OF A LINKED DEPOSIT.

2. LENDERS WHO MAKE LOANS PURSUANT TO THE PROGRAM SHALL NOT BE ENTITLED TO CHARGE ANY DISCOUNT, POINTS, ORIGINATION FEES, HANDLING FEES,

SERVICE CHARGES, REFINANCING FEES OR PENALTIES OR ANY CHARGE OTHER THAN THOSE NORMALLY CHARGED AND IN SUCH AMOUNTS NORMALLY CHARGED BY THE LENDER FOR LOANS OF THE TYPE BEING MADE WITHOUT REGARD TO THE PROGRAM.

S 232. APPLICATION PROCEDURE. 1. THE PRESIDENT, WITH THE ASSISTANCE OF THE SUPERINTENDENT OF THE DEPARTMENT, SHALL ESTABLISH PROCEDURES AND OTHER REQUIREMENTS FOR PARTICIPATION IN THE PROGRAM, AND SHALL PROVIDE A SIMPLIFIED APPLICATION FORM TO THE PARTICIPATING LENDERS FOR LINKED DEPOSITS. SUCH FORM SHALL REFLECT THE QUALIFYING INFORMATION REQUIRED BY THIS ARTICLE FOR ELIGIBLE LOAN RECIPIENTS. UPON COMPLETION OF ANY APPLICATION FOR A LINKED DEPOSIT, THE LENDER SHALL SEND THE APPLICATION, TOGETHER WITH THE INTEREST RATE CERTIFICATION REQUIRED PURSUANT TO SECTION TWO HUNDRED THIRTY-ONE OF THIS ARTICLE, TO THE PRESIDENT WHO SHALL EITHER APPROVE OR REJECT THE APPLICATION WITHIN TWENTY-EIGHT DAYS. THE PRESIDENT SHALL EVALUATE EACH APPLICATION BASED UPON THE FOLLOWING CRITERIA:

(A) THE EXTENT TO WHICH SUCH LOAN WOULD REDUCE THE LONG-TERM COST OF FINANCING A STUDENT'S HIGHER EDUCATION;

(B) THE LIKELIHOOD OF THE STUDENT SUCCESSFULLY COMPLETING HIS OR HER HIGHER EDUCATION AND REPAYING THE LOAN WITHIN A TIMELY MANNER; AND

(C) SUCH OTHER CRITERIA AS THE PRESIDENT DEEMS RELEVANT.

2. IF THE DEPOSIT APPLICATION IS APPROVED BY THE PRESIDENT, HE OR SHE SHALL NOTIFY AN AUTHORIZED DEPOSITOR THAT A DETERMINATION HAS BEEN MADE THAT THE APPLICATION SATISFIES THE REQUIREMENTS OF THIS ARTICLE, AND THE PRESIDENT SHALL REQUEST THE AUTHORIZED DEPOSITOR TO DEPOSIT FUNDS WITH THE LENDER IN ACCORDANCE WITH SECTION NINETY-EIGHT-A OF THIS CHAPTER AND WITH THE AUTHORIZED DEPOSITOR'S ESTABLISHED PROCEDURES. SUCH DEPOSITS SHALL BE SECURED IN ACCORDANCE WITH THE PROVISIONS OF SECTION ONE HUNDRED FIVE OF THIS CHAPTER, AND LENDERS RECEIVING SUCH DEPOSITS SHALL SATISFY, IN THE SOLE JUDGMENT OF THE AUTHORIZED DEPOSITOR, ALL COLLATERAL AND OTHER REQUIREMENTS GENERALLY APPLIED BY THE AUTHORIZED DEPOSITOR TO FUNDS INVESTED BY IT. THE NOTIFIED AUTHORIZED DEPOSITOR AND THE LENDER SHALL ENTER INTO A WRITTEN DEPOSIT AGREEMENT. IN NO EVENT SHALL ANY DEFECT IN ANY SUCH AGREEMENT BE ASSERTED AS A DEFENSE BY A BORROWER ON A LINKED LOAN MADE PURSUANT TO THE PROGRAM.

S 233. REPAYMENT PERIODS FOR LINKED STUDENT LOANS. THE PRESIDENT SHALL REQUIRE THAT LINKED STUDENT LOANS ISSUED THROUGH THE PROGRAM OFFER FLEXIBLE REPAYMENT OPTIONS, INCLUDING THE OPTION OF AN INCOME-BASED REPAYMENT PLAN. SUCH REPAYMENT OPTIONS MAY, IF THE PRESIDENT DEEMS IT ADVISABLE, BE CONSISTENT WITH THE REPAYMENT TERMS STIPULATED BY THE WILLIAM D. FORD FEDERAL DIRECT LOAN PROGRAM AUTHORIZED PURSUANT TO 20 USC CHAPTER 28, SUBCHAPTER IV, PART C.

S 234. LIABILITY; EARLY REPAYMENT AND WITHDRAWAL. NOTHING CONTAINED IN THIS ARTICLE SHALL IMPOSE LIABILITY ON THE STATE OR ANY OF ITS DEPARTMENTS OR EMPLOYEES FOR PAYMENT OR DELAYS IN PAYMENT OF THE PRINCIPAL OR INTEREST OF A LINKED LOAN. ANY DELAY IN PAYMENTS OR ANY DEFAULT ON A LINKED LOAN SHALL IN NO WAY AFFECT THE LINKED DEPOSIT AGREEMENT BETWEEN THE LENDER AND THE AUTHORIZED DEPOSITOR. HOWEVER, IN THE EVENT THE INTEREST RATE OF THE LINKED LOAN SHALL BE INCREASED AS A CONSEQUENCE OF DEFAULT OR RENEGOTIATION, OR THE LOAN SHALL BE CHARGED OFF, THE LENDER SHALL GIVE THE AUTHORIZED DEPOSITOR PROMPT NOTICE OF SUCH EVENT, AND THE AUTHORIZED DEPOSITOR SHALL THEREAFTER WITHDRAW THE LINKED DEPOSIT UPON NOT LESS THAN SEVEN DAYS' PRIOR WRITTEN NOTICE TO THE LENDER. UPON EARLY REPAYMENT OF A LINKED LOAN, THE LENDER SHALL WITHIN THIRTY DAYS GIVE THE AUTHORIZED DEPOSITOR NOTICE OF SUCH EARLY REPAYMENT, AND THE AUTHORIZED DEPOSITOR SHALL THEREAFTER WITHDRAW THE LINKED DEPOSIT UPON NOT LESS THAN SEVEN DAYS' PRIOR WRITTEN NOTICE TO THE LENDER, AND THE INTEREST

RATE PAYABLE ON THE LINKED DEPOSIT FROM THE DATE OF EARLY REPAYMENT OF THE LINKED LOAN TO THE DATE OF WITHDRAWAL OF THE LINKED DEPOSIT SHALL BE THE INTEREST RATE UPON WHICH THE LINKED DEPOSIT INTEREST RATE WAS CALCULATED WITHOUT REGARD TO THE APPLICABLE BASIS POINT REDUCTION.

S 234-A. MONITORING AND REPORT. 1. THE PRESIDENT SHALL MONITOR THE ACTIVITIES OF PARTICIPATING LENDERS AND LOAN RECIPIENTS AND MAY REQUIRE PERIODIC REPORTS OR OTHER INFORMATION THE PRESIDENT DEEMS NECESSARY FROM PARTICIPATING LENDERS AND LOAN RECIPIENTS ON THE STATUS OF THE LINKED LOANS TO ENSURE COMPLIANCE WITH THE PROVISIONS AND THE INTENT OF THIS ARTICLE.

2. ON OR BEFORE DECEMBER FIRST, TWO THOUSAND SIXTEEN, AND ANNUALLY THEREAFTER THE PRESIDENT SHALL SUBMIT TO THE GOVERNOR, THE TEMPORARY PRESIDENT OF THE SENATE AND THE SPEAKER OF THE ASSEMBLY A REPORT REGARDING THE ACTIVITIES OF THE PROGRAM. SUCH REPORT SHALL CONTAIN A STATEMENT OF THE COST OF THE PROGRAM TO THE STATE, CONSIDERED AS A WHOLE, BECAUSE OF REDUCED RATES ON FUNDS INVESTED IN LINKED DEPOSITS. SUCH REPORT SHALL ALSO INCLUDE, BUT SHALL NOT BE LIMITED TO, THE NUMBER AND TYPE OF LINKED LOANS UNDER THE PROGRAM AND THE AMOUNT THEREOF; THE NUMBER AND TYPES OF LENDERS MAKING LINKED LOANS AND OF INDIVIDUALS RECEIVING LINKED LOANS; THE GEOGRAPHIC DISTRIBUTION OF SUCH LENDERS AND RECIPIENTS, INCLUDING THE STEPS TAKEN TO ENSURE GEOGRAPHIC DIVERSITY AMONG PARTICIPATING LENDERS, AS WELL AS ANY INFORMATION THE PRESIDENT DETERMINES USEFUL IN EVALUATING THE BENEFITS OF THE PROGRAM.

S 234-B. PROMOTION OF PROGRAM. THE DEPARTMENT, WITH THE ASSISTANCE OF OTHER APPROPRIATE STATE AGENCIES, SHALL ACTIVELY MARKET AND PROMOTE AWARENESS OF THE PROGRAM IN ALL GEOGRAPHICAL AREAS OF THE STATE AMONG COMMERCIAL BANKS, THRIFTS AND OTHER APPROPRIATE BANKING ORGANIZATIONS.

S 234-C. RULES AND REGULATIONS. THE PRESIDENT SHALL, IN CONSULTATION WITH THE COMPTROLLER AND THE SUPERINTENDENT OF FINANCIAL SERVICES, PROMULGATE RULES AND REGULATIONS NECESSARY AND REASONABLE FOR THE OPERATION OF THE PROGRAM.

S 5. This act shall take effect on the one hundred eightieth day after it shall have become a law, provided however that effective immediately, the addition, amendment and/or repeal of any rules or regulations necessary for implementation of the foregoing sections of this act on its effective date is authorized and directed to be made and completed on or before such effective date.