

STATE OF NEW YORK

3942

2017-2018 Regular Sessions

IN ASSEMBLY

January 30, 2017

Introduced by M. of A. KAVANAGH, JAFFEE, WRIGHT, M. G. MILLER, COOK, WEPRIN, HOOPER, COLTON, WOERNER, STECK, MOSLEY -- Multi-Sponsored by -- M. of A. McLAUGHLIN, SIMANOWITZ -- read once and referred to the Committee on Banks

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

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Subdivision 5 of section 96-d of the banking law, as added
2 by chapter 526 of the laws of 1998, paragraph (a) as amended by chapter
3 328 of the laws of 1999, and paragraph (b) as further amended by section
4 104 of part A of chapter 62 of the laws of 2011, is amended to read as
5 follows:

6 5. (a) Notwithstanding the provisions of subdivision two of section
7 two hundred thirty-seven of this chapter; for the purposes of this
8 section, paragraph c of subdivision two of section ten of the general
9 municipal law, subdivision six of section one hundred five of the state
10 finance law and section four hundred eighty-five-f of the real property
11 tax law, any reference to a bank, trust company or national bank shall
12 be deemed to include a savings bank, savings and loan association,
13 federal savings and loan association or federal savings bank or, in
14 cities having a population of one million or more persons, any low
15 income credit union as designated by section four hundred fifty-a of
16 this chapter or any federal credit union that has been designated a low
17 income credit union by the National Credit Union Administration;
18 provided, however, that such provisions of law do not grant a savings
19 bank, savings and loan association, federal savings and loan association
20 or federal savings bank or, in cities having a population of one million
21 or more persons, any low income credit union as designated by section
22 four hundred fifty-a of this chapter or any federal credit union that
23 has been designated a low income credit union by the National Credit

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

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1 Union Administration eligibility to accept municipal or public funds or
2 municipal or public moneys other than for the limited purposes of the
3 establishment of a branch in a banking development district pursuant to
4 this section. Any such municipal or public funds or moneys shall be
5 deposited only at the branch established pursuant to this section, and
6 any municipal funds or moneys may be deposited only by the sponsoring
7 municipality in which the branch and banking development district are
8 located; provided further that any such municipal or public funds or
9 moneys shall be subject to the same requirements which apply to munici-
10 pal or public funds or moneys deposited in a bank, trust company or
11 national bank and shall also be subject to the provisions of section one
12 hundred five of the state finance law or section ten of the general
13 municipal law relating to such deposits.

14 (b) Notwithstanding any other provision of law, the superintendent of
15 financial services shall promulgate rules and regulations to authorize
16 the participation of savings banks, savings and loan associations,
17 federal savings banks and federal savings and loan associations or, in
18 cities having a population of one million or more persons, any low
19 income credit union as designated by section four hundred fifty-a of
20 this chapter or any federal credit union that has been designated a low
21 income credit union by the National Credit Union Administration in the
22 program established pursuant to this section.

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