

# STATE OF NEW YORK

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10567--A

## IN ASSEMBLY

May 7, 2018

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Introduced by M. of A. DICKENS, MOSLEY, WRIGHT, BLAKE, HYNDMAN, LAVINE, NIOU, DE LA ROSA, SEAWRIGHT, GLICK, COOK, BARRON, VANEL, WILLIAMS, MONTESANO, ERRIGO -- read once and referred to the Committee on Banks -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

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

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

1 Section 1. Subdivision 3 of section 28-b of the banking law, as  
2 amended by chapter 315 of the laws of 2008, the opening paragraph and  
3 paragraph 12 of paragraph (a) as amended by chapter 227 of the laws of  
4 2013, is amended to read as follows:

5 3. (a) When taking any action on an application or notice made by a  
6 banking institution under (i) section one hundred five, two hundred  
7 twenty-four, two hundred forty, or three hundred ninety-six of this  
8 chapter for a branch office, (ii) section one hundred ninety-one of this  
9 chapter for a public accommodation office, (iii) section six hundred  
10 one-b of this chapter for approval of a merger or purchase of assets, or  
11 (iv) under section one hundred five-a, two hundred forty-a or three  
12 hundred ninety-six-a of this chapter for the use or installation of an  
13 automated teller machine, point-of-sale terminal or similar electronic  
14 facility or on any other application or notice to which the superinten-  
15 dent of financial services shall by rule or regulation make applicable  
16 the provisions of this section, the superintendent shall take into  
17 account, among other factors, an assessment, in writing, of the record  
18 of performance of the banking institution in helping to meet the credit  
19 needs of its entire community, including low and moderate-income neigh-  
20 borhoods and minority- and women-owned businesses, consistent with safe  
21 and sound operation of the banking institution. Such assessment and any  
22 written communications from the department of financial services to a  
23 banking institution relating to such assessment shall be made available  
24 to the public upon request, provided that nothing contained in this

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

LBD15042-05-8

1 subdivision shall be deemed to alter, amend or affect the provisions of  
2 subdivision ten of section thirty-six of this chapter. In making such  
3 assessment the superintendent shall review all reports and documents  
4 filed pursuant to subdivision one of this section and any signed, writ-  
5 ten comments received by the superintendent which specifically relate to  
6 the banking institution's performance in helping to meet the credit  
7 needs of its community. In addition, the superintendent shall consider  
8 the following factors in assessing a banking institution's record of  
9 performance:

10 (1) Activities conducted by the banking institution to ascertain cred-  
11 it needs of its community, including the extent of the banking insti-  
12 tution's efforts to communicate with members of its community regarding  
13 the credit services being provided by the banking institution;

14 (2) The extent of the banking institution's marketing and special  
15 credit-related programs to make members of the community aware of the  
16 credit services offered by the banking institution;

17 (3) The extent of participation by the banking institution's board of  
18 directors or board of trustees in formulating the banking institution's  
19 policies and reviewing its performance with respect to the purposes of  
20 the Community Reinvestment Act of 1977;

21 (4) Any practices intended to discourage application for types of  
22 credit set forth in the banking institution's Community Reinvestment Act  
23 Statement(s);

24 (5) The geographic distribution of the banking institution's credit  
25 extensions, credit applications and credit denials;

26 (6) Evidence of prohibited discriminatory or other illegal credit  
27 practices;

28 (7) The banking institution's record of opening and closing offices  
29 and providing services at offices;

30 (8) The banking institution's participation, including investments, in  
31 local community development and redevelopment projects or programs and  
32 in technical assistance programs for small businesses and minority- and  
33 women-owned businesses;

34 (9) The banking institution's origination of residential mortgage  
35 loans, housing rehabilitation loans, home improvement loans and small  
36 business or small farm or minority- and women-owned business loans with-  
37 in its community or the purchase of such loans originated in its commu-  
38 nity;

39 (10) The banking institution's participation in governmentally-in-  
40 sured, guaranteed or subsidized loan programs for housing, small busi-  
41 nesses or small farms;

42 (11) The banking institution's ability to meet various community cred-  
43 it needs based on its financial condition, size, legal impediments,  
44 local economic condition and other factors;

45 (11-a) The geographic distribution, availability and use of automated  
46 teller machines, point-of-sale terminals, personal computer banking,  
47 debit cards or similar electronic facilities or services; and any train-  
48 ing of customers thereon among every branch of the banking institution,  
49 if the institution offers such services to any of its customers; and

50 (12) Other factors that, in the judgment of the superintendent,  
51 reasonably bear upon the extent to which a banking institution is help-  
52 ing to meet the credit needs of its entire community, including, without  
53 limitation, the banking institution's participation in credit counseling  
54 services.

55 (b) In assessing the record of performance of a banking institution  
56 pursuant to the provisions of paragraph (a) of this subdivision, the

1 superintendent may, where he or she deems it appropriate, provide for  
2 public hearings when an objection to the banking institution's applica-  
3 tion or notification has been submitted.

4 (c) An assessment of a banking institution's record of performance  
5 under paragraph (a) of this subdivision may be the basis for denying an  
6 application or notice under the provisions of this section.

7 (d) When taking any action pursuant to paragraph (a) of this subdivi-  
8 sion, the superintendent shall request from the applicant or notificant  
9 banking institution and from the appropriate federal bank regulatory  
10 authorities any documents, other than those required to be filed with  
11 the superintendent by this section or by other applicable statutes or  
12 regulations, which are (1) filed with the federal bank regulatory  
13 authorities in connection with the application or notice or (2) produced  
14 by the applicant or notificant banking institution or others in  
15 connection with the application or notice.

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