

# STATE OF NEW YORK

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6700

2017-2018 Regular Sessions

## IN SENATE

June 13, 2017

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Introduced by Sen. HAMILTON -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

AN ACT to amend the banking law, in relation to the banking development district program; to amend chapter 526 of the laws of 1998, amending the banking law relating to participation in the banking development districts program, in relation to the effectiveness thereof

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

1 Section 1. Subdivision 2 of section 96-d of the banking law, as added  
2 by chapter 204 of the laws of 1997, is amended to read as follows:

3 2. A local government, in conjunction with a bank, trust company or  
4 national bank, may submit an application to the superintendent for the  
5 designation of a banking development district. The superintendent shall  
6 issue a determination on such an application within sixty days of  
7 receiving such application. If an application is approved, the super-  
8 intendent shall transmit notification of [~~such approval~~] the designation  
9 of a banking development district to the local government, the bank,  
10 trust company or national bank, the state comptroller, the commissioner  
11 of taxation and finance, the commissioner of the department of economic  
12 development, the temporary president of the senate and the speaker of  
13 the assembly. The designation of a banking development district shall be  
14 valid for fourteen years. Prior to the expiration of a banking develop-  
15 ment district designation, the superintendent may extend the designation  
16 for one or more additional five or ten year periods.

17 § 2. Section 4 of chapter 526 of the laws of 1998, amending the bank-  
18 ing law relating to participation in the banking development districts  
19 program, as amended by chapter 46 of the laws of 2016, is amended to  
20 read as follows:

21 § 4. This act shall take effect on the first day of January next  
22 succeeding the date on which it shall have become a law and section  
23 three of this act shall remain in effect until January 1, 2023 when upon

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

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1 such date it shall expire and be deemed repealed; provided however that  
2 any branch established prior to the expiration and repeal of section  
3 three of this act by a savings bank, savings and loan association,  
4 federal savings bank or federal savings and loan association in a bank-  
5 ing development district pursuant to this act shall continue to operate  
6 in accordance with this act and remain eligible for all the rights and  
7 privileges authorized by this act.

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

13 5. (a) Notwithstanding the provisions of subdivision two of section  
14 two hundred thirty-seven of this chapter; for the purposes of this  
15 section, paragraph c of subdivision two of section ten of the general  
16 municipal law, subdivision six of section one hundred five of the state  
17 finance law and section four hundred eighty-five-f of the real property  
18 tax law, any reference to a bank, trust company or national bank shall  
19 be deemed to include a savings bank, savings and loan association,  
20 federal savings and loan association [~~or~~], federal savings bank, credit  
21 union, or federal credit union; provided, however, that such provisions  
22 of law do not grant a savings bank, savings and loan association, feder-  
23 al savings and loan association [~~or~~], federal savings bank, credit  
24 union, or federal credit union eligibility to accept municipal or public  
25 funds or municipal or public moneys other than for the limited purposes  
26 of the establishment of a branch in a banking development district  
27 pursuant to this section. Any such municipal or public funds or moneys  
28 shall be deposited only at the branch established pursuant to this  
29 section, and any municipal funds or moneys may be deposited only by the  
30 sponsoring municipality in which the branch and banking development  
31 district are located; provided further that any such municipal or public  
32 funds or moneys shall be subject to the same requirements which apply to  
33 municipal or public funds or moneys deposited in a bank, trust company  
34 or national bank and shall also be subject to the provisions of section  
35 one hundred five of the state finance law or section ten of the general  
36 municipal law relating to such deposits.

37 (b) Notwithstanding any other provision of law, the superintendent of  
38 financial services shall promulgate rules and regulations to authorize  
39 the participation of savings banks, savings and loan associations,  
40 federal savings banks [~~and~~], federal savings and loan associations,  
41 credit unions, and federal credit unions in the program established  
42 pursuant to this section.

43 § 4. This act shall take effect immediately; provided, however, that  
44 the amendments to subdivision 5 of section 96-d of the banking law made  
45 by section three of this act shall not affect the repeal of such subdi-  
46 vision and shall be deemed repealed therewith.