

STATE OF NEW YORK

6700

2017-2018 Regular Sessions

IN SENATE

June 13, 2017

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1 such date it shall expire and be deemed repealed; provided however that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.