

STATE OF NEW YORK

3227

2019-2020 Regular Sessions

IN SENATE

February 4, 2019

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

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. The opening paragraph of paragraph (a) of subdivision 3 of
2 section 28-b of the banking law, as amended by chapter 227 of the laws
3 of 2013, is amended to read as follows:

4 When taking any action on an application or notice made by a banking
5 institution under (i) section one hundred five, two hundred twenty-four,
6 two hundred forty, or three hundred ninety-six of this chapter for a
7 branch office, (ii) section one hundred ninety-one of this chapter for a
8 public accommodation office, (iii) section six hundred one-b of this
9 chapter for approval of a merger or purchase of assets, or (iv) under
10 section one hundred five-a, two hundred forty-a or three hundred nine-
11 ty-six-a of this chapter for the use or installation of an automated
12 teller machine, point-of-sale terminal or similar electronic facility or
13 on any other application or notice to which the superintendent of finan-
14 cial services shall by rule or regulation make applicable the provisions
15 of this section, the superintendent shall take into account, among other
16 factors, an assessment, in writing, of the record of performance of the
17 banking institution in helping to meet the credit needs of its entire
18 community, including low and moderate-income neighborhoods, consistent
19 with safe and sound operation of the banking institution. Such assess-
20 ment shall include a separate discussion of the record of the banking
21 institution pertaining to each of the assessment factors listed in all
22 of the subparagraphs of this paragraph and a complete explanation of how
23 each of these factors was considered by the department in making the
24 assessment. This explanation shall include, but not be limited to, annu-

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

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1 al data for the institution as follows: loans for housing low and moder-
2 ate-income residents of low and moderate-income areas, and the scope of
3 efforts to market housing and small business loans in low and moderate-
4 income areas; the amount of loans to farms, and loans to small busi-
5 nesses that provide services to low and moderate-income residents of low
6 and moderate-income areas; financial investments in and contributions to
7 nonprofit local community development or redevelopment projects or enti-
8 ties; manpower resources committed to low and moderate-income housing
9 lending and small business lending and other forms of administrative
10 support for such lending; and participation in governmentally or
11 privately sponsored loan insurance, guarantee or subsidy programs for
12 housing, small businesses and small farms. Such assessment and explana-
13 tion and any written communications from the department of financial
14 services to a banking institution relating to such assessment and expla-
15 nation shall be made available to the public upon request, provided that
16 nothing contained in this subdivision shall be deemed to alter, amend or
17 affect the provisions of subdivision ten of section thirty-six of this
18 chapter. In making such assessment and explanation, the superintendent
19 shall review all reports and documents filed with him or her pursuant to
20 subdivision one of this section and any signed, written comments
21 received by the superintendent which specifically relate to the banking
22 institution's performance in helping to meet the credit needs of its
23 community. In addition, the superintendent shall consider the following
24 factors in assessing and explaining a banking institution's record of
25 performance:

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