

May 2013

Federal Venue Statute Regarding National Banking Associations

St. John's Law Review

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Recommended Citation

St. John's Law Review (1965) "Federal Venue Statute Regarding National Banking Associations," *St. John's Law Review*. Vol. 39 : No. 2 , Article 31.

Available at: <https://scholarship.law.stjohns.edu/lawreview/vol39/iss2/31>

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ARTICLE 5 — VENUE

Federal venue statute regarding national banking associations deemed controlling.

Do the general venue provisions of the CPLR apply to national banking associations? A recent New York supreme court case⁷⁹ has indicated that in an action against a national banking association, venue *must* be laid in the county where the bank is established. Hence, the general venue provision of the CPLR⁸⁰ which allows a plaintiff to commence an action in the county where he or the defendant resides is inapplicable. The New York court deemed itself bound by a recent decision of the United States Supreme Court⁸¹ which construed the federal venue statute governing actions against national banks as being mandatory.⁸² Thus, it was held that the defendant bank could compel a change of venue from Sullivan County, where it had neither an office nor a branch, to Nassau County, the location of its established office. In giving the federal venue statute a mandatory reading, the court settled the prior division of authority⁸³ on the question in New York.

ARTICLE 10 — PARTIES GENERALLY

CPLR 1006: Use of interpleader does not preclude jury trial.

When an individual is faced with two or more related claims, he may have recourse to interpleader,⁸⁴ an equitable procedure

⁷⁹ Blank v. Meadow Brook Nat'l Bank, 44 Misc. 2d 448, 254 N.Y.S.2d 56 (Sup. Ct. 1964).

⁸⁰ CPLR 503(a).

⁸¹ Mercantile Nat'l Bank v. Langdeau, 371 U.S. 555 (1963).

⁸² "Venue of suits. Actions and proceedings against any association under this chapter may be had . . . in any State, county, or municipal court in the county or city in which said association is located having jurisdiction in similar cases." 13 Stat. 108 (1864), as amended, 18 Stat. 320 (1875), 12 U.S.C. § 94 (1958).

⁸³ Compare Talmadge v. Third Nat'l Bank, 91 N.Y. 531 (1883) (statute held permissive), and Chaffee v. Glens Falls Nat'l Bank & Trust Co., 204 Misc. 181, 123 N.Y.S.2d 635 (Sup. Ct. 1953), *aff'd mem.*, 283 App. Div. 694, 128 N.Y.S.2d 539 (1st Dep't 1954) (statute held permissive), with Rabinowitz v. Kaiser-Frazer Corp., 198 Misc. 312, 96 N.Y.S.2d 638 (Sup. Ct. 1950) (statute held mandatory), and Crofoot v. Giannini, 196 Misc. 213, 92 N.Y.S.2d 191 (Sup. Ct. 1949) (statute held mandatory), and Raiola v. Los Angeles First Nat'l Trust & Sav. Bank, 133 Misc. 630, 233 N.Y. Supp. 301 (N.Y. City Ct. 1929) (statute held mandatory).

⁸⁴ CPLR 1006. See generally Frumer, *On Revising the New York Interpleader Statutes*, 25 N.Y.U.L. Rev. 737 (1950); Comment, 39 TEXAS L. REV. 632 (1961).