

SB4021



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

SB4021

Introduced 1/4/2021, by Sen. Andy Manar

SYNOPSIS AS INTRODUCED:

205 ILCS 305/12

from Ch. 17, par. 4413

Amends the Illinois Credit Union Act to provide that there shall be no issuance of a regulatory fee credit to credit unions if the balance in the Credit Union Fund at the end of fiscal years ending June 30, 2020 and June 30, 2021 exceeds 25% of the total administrative and operational expenses incurred by the State. Provides that there shall be no adjustment in the regulatory fee schedule for fiscal years ending June 30, 2020 and June 30, 2021. Provides that the provision is inoperative after June 30, 2021. Effective immediately.

LRB101 22398 BMS 73465 b

A BILL FOR

1 AN ACT concerning regulation.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Credit Union Act is amended by
5 changing Section 12 as follows:

6 (205 ILCS 305/12) (from Ch. 17, par. 4413)
7 Sec. 12. Regulatory fees.

8 (1) For the fiscal year beginning July 1, 2007, a credit
9 union regulated by the Department shall pay a regulatory fee to
10 the Department based upon its total assets as shown by its
11 Year-end Call Report at the following rates or at a lesser rate
12 established by the Secretary in a manner proportionately
13 consistent with the following rates and sufficient to fund the
14 actual administrative and operational expenses of the
15 Department's Credit Union Section pursuant to subsection (4) of
16 this Section:

TOTAL ASSETS	REGULATORY FEE
\$25,000 or less	\$100
Over \$25,000 and not over	
\$100,000	\$100 plus \$4 per
	\$1,000 of assets in excess of
	\$25,000
Over \$100,000 and not over	

1 \$200,000 \$400 plus \$3 per
2 \$1,000 of assets in excess of
3 \$100,000
4 Over \$200,000 and not over
5 \$500,000 \$700 plus \$2 per
6 \$1,000 of assets in excess of
7 \$200,000
8 Over \$500,000 and not over
9 \$1,000,000 \$1,300 plus \$1.40
10 per \$1,000 of assets in excess
11 of \$500,000
12 Over \$1,000,000 and not
13 over \$5,000,000 \$2,000 plus \$0.50
14 per \$1,000 of assets in
15 excess of \$1,000,000
16 Over \$5,000,000 and not
17 over \$30,000,000 \$4,540 plus \$0.397
18 per \$1,000 of assets
19 in excess of \$5,000,000
20 Over \$30,000,000 and not over
21 \$100,000,000 \$14,471 plus \$0.34
22 per \$1,000 of assets
23 in excess of \$30,000,000
24 Over \$100,000,000 and not
25 over \$500,000,000 \$38,306 plus \$0.17
26 per \$1,000 of assets

1 in excess of \$100,000,000
 2 Over \$500,000,000.....\$106,406 plus \$0.056
 3 per \$1,000 of assets
 4 in excess of \$500,000,000

5 (2) The Secretary shall review the regulatory fee schedule
 6 in subsection (1) and the projected earnings on those fees on
 7 an annual basis and adjust the fee schedule no more than 5%
 8 annually if necessary to defray the estimated administrative
 9 and operational expenses of the Credit Union Section of the
 10 Department as defined in subsection (5). However, the fee
 11 schedule shall not be increased if the amount remaining in the
 12 Credit Union Fund at the end of any fiscal year is greater than
 13 25% of the total actual and operational expenses incurred by
 14 the State in administering and enforcing the Illinois Credit
 15 Union Act and other laws, rules, and regulations as may apply
 16 to the administration and enforcement of the foregoing laws,
 17 rules, and regulations as amended from time to time for the
 18 preceding fiscal year. The regulatory fee for the next fiscal
 19 year shall be calculated by the Secretary based on the credit
 20 union's total assets as of December 31 of the preceding
 21 calendar year. The Secretary shall provide credit unions with
 22 written notice of any adjustment made in the regulatory fee
 23 schedule.

24 (3) A credit union shall pay to the Department a regulatory
 25 fee in quarterly installments equal to one-fourth of the
 26 regulatory fee due in accordance with the regulatory fee

1 schedule in subsection (1), on the basis of assets as of the
2 Year-end Call Report of the preceding calendar year. The total
3 annual regulatory fee shall not be less than \$100 or more than
4 \$141,875, provided that the regulatory fee cap of \$141,875
5 shall be adjusted to incorporate the same percentage increase
6 as the Secretary makes in the regulatory fee schedule from time
7 to time under subsection (2). No regulatory fee shall be
8 collected from a credit union until it has been in operation
9 for one year. The regulatory fee shall be billed to credit
10 unions on a quarterly basis and it shall be payable by credit
11 unions on the due date for the Call Report for the subject
12 quarter.

13 (4) The aggregate of all fees collected by the Department
14 under this Act shall be paid promptly after they are received,
15 accompanied by a detailed statement thereof, into the State
16 Treasury and shall be set apart in the Credit Union Fund, a
17 special fund hereby created in the State treasury. The amount
18 from time to time deposited in the Credit Union Fund and shall
19 be used to offset the ordinary administrative and operational
20 expenses of the Credit Union Section of the Department under
21 this Act. All earnings received from investments of funds in
22 the Credit Union Fund shall be deposited into the Credit Union
23 Fund and may be used for the same purposes as fees deposited
24 into that fund. Moneys deposited in the Credit Union Fund may
25 be transferred to the Professions Indirect Cost Fund, as
26 authorized under Section 2105-300 of the Department of

1 Professional Regulation Law of the Civil Administrative Code of
2 Illinois.

3 Notwithstanding provisions in the State Finance Act, as now
4 or hereafter amended, or any other law to the contrary, the
5 Governor may, during any fiscal year through January 10, 2011,
6 from time to time direct the State Treasurer and Comptroller to
7 transfer a specified sum not exceeding 10% of the revenues to
8 be deposited into the Credit Union Fund during that fiscal year
9 from that Fund to the General Revenue Fund in order to help
10 defray the State's operating costs for the fiscal year.
11 Notwithstanding provisions in the State Finance Act, as now or
12 hereafter amended, or any other law to the contrary, the total
13 sum transferred from the Credit Union Fund to the General
14 Revenue Fund pursuant to this provision shall not exceed during
15 any fiscal year 10% of the revenues to be deposited into the
16 Credit Union Fund during that fiscal year. The State Treasurer
17 and Comptroller shall transfer the amounts designated under
18 this Section as soon as may be practicable after receiving the
19 direction to transfer from the Governor.

20 (5) The administrative and operational expenses for any
21 fiscal year shall mean the ordinary and contingent expenses for
22 that year incidental to making the examinations provided for
23 by, and for administering, this Act, including all salaries and
24 other compensation paid for personal services rendered for the
25 State by officers or employees of the State to enforce this
26 Act; all expenditures for telephone and telegraph charges,

1 postage and postal charges, office supplies and services,
2 furniture and equipment, office space and maintenance thereof,
3 travel expenses and other necessary expenses; all to the extent
4 that such expenditures are directly incidental to such
5 examination or administration.

6 (6) When the balance in the Credit Union Fund at the end of
7 a fiscal year exceeds 25% of the total administrative and
8 operational expenses incurred by the State in administering and
9 enforcing the Illinois Credit Union Act and other laws, rules,
10 and regulations as may apply to the administration and
11 enforcement of the foregoing laws, rules, and regulations as
12 amended from time to time for that fiscal year, such excess
13 shall be credited to credit unions and applied against their
14 regulatory fees for the subsequent fiscal year. The amount
15 credited to each credit union shall be in the same proportion
16 as the regulatory fee paid by such credit union for the fiscal
17 year in which the excess is produced bears to the aggregate
18 amount of all fees collected by the Department under this Act
19 for the same fiscal year.

20 (6.1) Notwithstanding any provision in subsection (6) of
21 this Section to the contrary, there shall be no issuance of a
22 regulatory fee credit for fiscal years ending June 30, 2020 and
23 June 30, 2021. Notwithstanding any provision in subsection (2)
24 of this Section to the contrary, there shall be no adjustment
25 in the regulatory fee schedule in subsection (1) of this
26 Section for fiscal years ending June 30, 2020 and June 30,

1 2021. This subsection (6.1) is inoperative after June 30, 2021.

2 (7) (Blank).

3 (8) Nothing in this Act shall prohibit the General Assembly
4 from appropriating funds to the Department from the General
5 Revenue Fund for the purpose of administering this Act.

6 (9) For purposes of this Section, "fiscal year" means a
7 period beginning on July 1 of any calendar year and ending on
8 June 30 of the next calendar year.

9 (Source: P.A. 100-201, eff. 8-18-17.)

10 Section 99. Effective date. This Act takes effect upon
11 becoming law.