



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB4557

Introduced 1/21/2022, by Rep. Will Guzzardi

SYNOPSIS AS INTRODUCED:

New Act

Creates the Public Bank Task Force Law. Sets forth the duties and responsibilities of the Public Bank Task Force. Sets forth provisions concerning appointment of the task force members. Provides that task force members shall be appointed by July 1, 2022, and that task force members shall serve without compensation. Provides that task force meetings shall begin by October 1, 2022, that there shall be one meeting of the task force per month through June 30, 2023, and that at least 3 of the task force meetings shall include testimony from members of the general public. Provides that the task force shall submit a report of its findings to the General Assembly by September 30, 2023, written by an independent authority with subject matter expertise. Provides that the Public Bank Task Force is dissolved and the Act is repealed on September 30, 2024. Effective immediately.

LRB102 22578 BMS 31719 b

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 1. Short title. This Act may be cited as the Public
5 Bank Task Force Law.

6 Section 5. Findings. The General Assembly finds that:

7 (1) The coronavirus pandemic has demonstrated the
8 State of Illinois and its localities need to build the
9 capacity of its public financial infrastructure.

10 (2) The constraint of public money spent on interest
11 and debt servicing to private banks and investors has kept
12 this State and local governments from making the necessary
13 long term public investments in building a care economy.

14 (3) Public banks are publicly-owned and managed
15 depository institutions providing retail, commercial, and
16 investment banking services to the public, mandated for
17 public purposes instead of profit.

18 (4) There are currently 910 public banks globally with
19 \$49 trillion in assets (17% of all bank assets).

20 (5) The Bank of North Dakota is the only active public
21 bank in the United States, which is attributed for the
22 success of that state's leading economic response
23 following both the 2008 financial crisis and the onset of

1 the 2020 pandemic.

2 (6) A public bank for Illinois would benefit the
3 public via lowering public financing costs for this State
4 and its localities, building community wealth, repairing
5 the historical financial harms to Black, Indigenous, and
6 immigrant communities, and leading a just green economic
7 transition.

8 Section 10. Public Bank Task Force; duties and
9 responsibilities.

10 (a) The Public Bank Task Force is created.

11 (b) The Public Bank Task Force shall do the following:

12 (1) Create a mission statement for a state bank that
13 will provide retail, commercial, and investment banking
14 services to the people of Illinois for the purposes of
15 achieving public cost savings, building community wealth,
16 repairing the historical harms to Black, Indigenous, and
17 immigrant communities, and leading a just green economic
18 transition.

19 (2) Create a viable business plan for a state bank,
20 whether through acquiring an existing institution or
21 creating one de novo.

22 (3) Propose a governance and operation structure for a
23 state bank.

24 (4) Make a recommendation to the General Assembly on
25 the amount of money needed to capitalize a state bank.

1 Section 15. Public Bank Task Force; members.

2 (a) The Task Force shall consist of the following members:

3 (1) 2 members appointed by the President of the
4 Senate; one of whom shall serve as co-chair.

5 (2) 2 members appointed by the Speaker of the House of
6 Representatives, one of whom shall serve as co-chair.

7 (3) 2 members appointed by the Minority Leader of the
8 Senate, one of whom shall serve as co-chair.

9 (4) 2 members appointed by the Minority Leader of the
10 House of Representatives, one of whom shall serve as
11 co-chair.

12 (5) The Secretary of Financial and Professional
13 Regulation, or his or her designee.

14 (6) The State Treasurer, or his or her designee.

15 (7) The Comptroller, or his or her designee.

16 (8) 2 members appointed by the Governor who shall be
17 representatives of a statewide organization representing
18 organized labor.

19 (9) 3 members appointed by the Governor who shall be
20 knowledgeable and experienced in the area of nonprofit or
21 community organizations.

22 (10) 2 members appointed by the Governor who shall be
23 knowledgeable and experienced in the area of municipal
24 government.

25 (b) Task Force members shall be appointed by July 1, 2022.

1 (c) Task Force members shall serve without compensation.

2 Section 20. Public Bank Task Force; meetings.

3 (a) Meetings of the Task Force shall begin by October 1,
4 2022.

5 (b) There shall be one meeting of the Task Force per month
6 through June 30, 2023, for a total of nine meetings.

7 (c) At least 3 of the meetings of the Task Force shall
8 include testimony from members of the general public.

9 Section 25. Public Bank Task Force; report; repeal.

10 (a) The Task Force shall submit a report of its findings to
11 the General Assembly by September 30, 2023, written by an
12 independent authority with subject matter expertise.

13 (b) The Task Force is dissolved, and this Act is repealed,
14 on September 30, 2024.

15 Section 99. Effective date. This Act takes effect upon
16 becoming law.