



93RD GENERAL ASSEMBLY

State of Illinois

2003 and 2004

HB4497

Introduced 02/03/04, by Joseph M. Lyons

SYNOPSIS AS INTRODUCED:

205 ILCS 205/1006	from Ch. 17, par. 7301-6
205 ILCS 205/3002	from Ch. 17, par. 7303-2

Amends the Savings Bank Act. In provisions pertaining to savings banks that establish branches or offices at which savings or investments are regularly received or loans approved, provides that a savings bank holding company, other than Illinois savings bank holding companies, may control or own more than 5% of the voting shares or rights of any Illinois savings bank or Illinois savings bank holding company subject to specified limitations. Requires the Commissioner to include fingerprints in the contents of applications for permits to organize. Effective immediately.

LRB093 18779 SAS 44512 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning financial regulation.

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

4 Section 5. The Savings Bank Act is amended by changing
5 Sections 1006 and 3002 as follows:

6 (205 ILCS 205/1006) (from Ch. 17, par. 7301-6)
7 Sec. 1006. Parity.

8 (a) Subject to the regulation of the Commissioner and in
9 addition to the powers granted by this Act, each savings bank
10 operating under this Act shall possess those powers granted by
11 regulation promulgated under the Federal Deposit Insurance Act
12 for state savings banks.

13 (b) A savings bank may establish branches or offices at
14 which savings or investments are regularly received or loans
15 approved as follows:

16 (1) to the extent branch powers and offices are granted
17 to State banks under the Illinois Banking Act;

18 (2) within the geographic area defined in Article 2 of
19 this Act and subject to the provisions of Article 2 of this
20 Act;

21 (3) within the same geographic areas or states as those
22 states from which a holding company is permitted to acquire
23 an Illinois savings bank or an Illinois savings bank
24 holding company;

25 (4) to the same extent that holding companies and
26 savings and loan associations headquartered outside the
27 State of Illinois are allowed to operate in Illinois by
28 virtue of Articles 1A and 2B of the Illinois Savings and
29 Loan Act of 1985;

30 (5) as the result of mergers, consolidations, or bulk
31 sales of facilities in the case of relocations; ~~;~~

32 (6) to the extent that a savings bank holding company,

1 other than an Illinois savings bank holding company, may
2 control or own more than 5% of the voting shares or rights
3 of any Illinois savings bank or Illinois savings bank
4 holding company unless such savings bank holding company is
5 an out-of-state savings bank holding company and the laws
6 of the state which is the principal place of business of
7 such out-of-state savings bank holding company expressly
8 authorize an Illinois savings bank holding company to
9 acquire a savings bank or savings bank holding company in
10 that state under qualifications and conditions which are
11 not unduly restrictive when compared to those imposed by
12 the laws of Illinois, as determined by the Commissioner.

13 (c) The Commissioner may adopt regulations that provide for
14 the establishment of branches as defined by the Commissioner.

15 (d) Notwithstanding any other provision of this Act, a
16 savings bank that purchases or assumes all or any part of the
17 assets or liabilities of a bank, savings bank, or savings and
18 loan association or merges or consolidates with a bank, savings
19 bank, or savings and loan association may retain and maintain
20 the main premises or branches of the former bank, savings bank,
21 or savings and loan association as branches of the purchasing,
22 merging, or consolidating savings bank, provided it assumes the
23 deposit liabilities of the bank, savings bank, or savings and
24 loan association maintained at the main premises or branches.

25 (e) A savings bank has any power reasonably incident,
26 convenient, or useful to the accomplishment of the powers
27 conferred upon the savings bank by this Act.

28 (Source: P.A. 89-74, eff. 6-30-95; 90-301, eff. 8-1-97; 90-665,
29 eff. 7-30-98.)

30 (205 ILCS 205/3002) (from Ch. 17, par. 7303-2)

31 Sec. 3002. Contents of application for permit to organize.
32 The application for a permit to organize shall be on forms
33 required by the Commissioner, shall include all information as
34 he deems necessary but must include at least the following:

35 (1) The name, address, social security number, date of

1 birth, business address, home address, place of birth,
2 fingerprints, and occupation of each organizer.

3 (2) The name of the proposed savings bank.

4 (3) The address of the headquarters, main business
5 office, and branches, if known, of the proposed savings
6 bank. Information must include any real estate interests of
7 the organizers that may be involved with any of these
8 locations.

9 (4) The anticipated duration of the proposed savings
10 bank, which may be perpetual.

11 (5) An audited financial statement of any corporation
12 or partnership that is one of the organizers or that shall
13 be either a controlling interest in the proposed savings
14 bank, a lender to the proposed savings bank, or a lender
15 for purposes of acquiring an interest in the proposed
16 savings bank to any of the controlling interests. The
17 Commissioner shall define by regulation the terms
18 "controlling interest" and "lender".

19 (6) The proposed articles of incorporation and bylaws.

20 (7) The number of shares of capital stock; the number
21 of shares and classes of preferred stock, if any; the par
22 value of each type of stock which may not be less than \$1;
23 the number of shares to be sold and the per share initial
24 offering price of each share.

25 (Source: P.A. 86-1213.)

26 Section 99. Effective date. This Act takes effect upon
27 becoming law.