

1 AN ACT concerning banking.

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
5 Banking Development District Act.

6 Section 5. Banking development district program. There is
7 hereby created a banking development district program, the
8 purpose of which is to encourage the establishment of banking
9 branches in geographic locations where there is the greatest
10 need for banking services. The State Treasurer shall, in
11 consultation with the Office of Banks and Real Estate, adopt
12 rules in accordance with the Administrative Procedure Act
13 that set forth the criteria for the establishment of banking
14 development districts. The criteria shall include, but not be
15 limited to, the following:

16 (1) the location, number, and proximity of sites
17 where banking services are available within the district;

18 (2) the identification of consumer needs for
19 banking services within the district;

20 (3) the economic viability and local credit needs
21 of the community within the district;

22 (4) the existing commercial development within the
23 district;

24 (5) the impact additional banking services would
25 have on potential economic development in the district;
26 and

27 (6) any other criteria that the State Treasurer
28 deems appropriate.

29 Section 10. Definitions. As used in this Act:

30 "Improvement" does not include ordinary maintenance and

1 repairs.

2 "Bank" means a state bank, national bank, savings bank,
3 federal savings bank, savings and loan association, federal
4 savings and loan association, credit union, or trust company.

5 "Local government" means a county if the proposed banking
6 branch is in an unincorporated area or a municipality if the
7 proposed banking branch is in an incorporated area.

8 Section 15. Application. The governing board of a local
9 government, in conjunction with a bank, may submit an
10 application to the State Treasurer for the designation of a
11 banking development district. The boundaries of the proposed
12 banking development district shall include property on which
13 the bank plans to make improvements to establish a banking
14 branch. The application shall include the legal description
15 of the property to be designated.

16 The State Treasurer shall issue a determination on the
17 application within 60 days after receiving the application.
18 If an application is approved, the State Treasurer shall
19 transmit notification of the approval and a copy of all
20 application materials to the applicants, the Commissioner of
21 the Office of Banks and Real Estate, the Governor, the State
22 Comptroller, the Director of Commerce and Community Affairs,
23 the President of the Senate, the Speaker of the House of
24 Representatives, and the clerk of the county in which the
25 property is located.

26 Section 20. Existing facilities. Notwithstanding any
27 other provision of law, an application may be submitted by a
28 local government in conjunction with a bank that has already
29 opened a branch within the area of the proposed district. In
30 considering the criteria authorized under Section 5, the
31 State Treasurer must also take into account the importance
32 and benefits of preserving the banking services offered by

1 the existing branch.

2 Section 25. Abatement under the Property Tax Code. Upon
3 designation of the banking development district by the State
4 Treasurer, the property of a bank located within a banking
5 development district may be eligible for a tax abatement
6 under Section 18-167 of the Property Tax Code.

7 Section 905. The Property Tax Code is amended by adding
8 Section 18-167 as follows:

9 (35 ILCS 200/18-167 new)

10 Sec. 18-167. Abatement of taxes in a banking district.

11 (a) Definitions. For purposes of this Section, "bank"
12 means that term as defined in the Banking Development
13 District Act.

14 (b) Any taxing district, upon a majority vote of its
15 governing authority, may, after the determination of the
16 assessed valuation of its property, adopt an ordinance or
17 resolution ordering the clerk of the county or counties in
18 which the taxing district is located to abate a portion of
19 the taxing district's taxes on property of a bank that is
20 used as a banking branch in an area designated as a banking
21 development district under the Banking Development District
22 Act. Before ordering the abatement, the taxing district must
23 hold a public hearing regarding the proposed abatement.

24 (1) The base amount of the abatement shall be the
25 taxes arising from the new improvements or the renovation
26 or rehabilitation of existing improvements since the
27 designation of the banking development district, based on
28 the equalized assessed value attributable to the new
29 improvements or the renovation or rehabilitation of
30 existing improvements for the first year they were
31 assessed as completed as of January 1 of that tax year.

1 Taxes attributable to increases in assessment due to
 2 ordinary maintenance and repair shall not be abated under
 3 this Section.

4 A copy of an abatement order adopted under this
 5 Section shall be delivered to the county clerk and to the
 6 board of review not later than July 1 of the assessment
 7 year to be first affected by the order. If it is
 8 delivered on or after that date, it will first affect the
 9 taxes extended on the assessment of the following year.
 10 The board of review shall, in the first year of the
 11 abatement, notify the bank to be affected and the taxing
 12 district granting the abatement of the list of parcels
 13 affected by an abatement under this Section and the
 14 assessed value attributable to the new improvements or
 15 the renovation or rehabilitation of existing improvements
 16 for the first year they were assessed as completed as of
 17 January 1 of that tax year. The affected bank or taxing
 18 district may file a complaint regarding the list of
 19 parcels and computation within 15 days after the mailing
 20 of the notification, and shall be given an opportunity to
 21 be heard. The board of review shall, in the first year of
 22 the abatement, upon delivering the assessment books to
 23 the county clerk, also deliver a list of parcels affected
 24 by an abatement under this Section and the assessed value
 25 attributable to new improvements or to the renovation or
 26 rehabilitation of existing improvements for the first
 27 year they were assessed as completed as of January 1 of
 28 that tax year.

29 The county clerk shall abate the base amount as
 30 follows:

<u>YEAR OF</u> <u>ABATEMENT</u>	<u>PERCENTAGE OF BASE</u> <u>AMOUNT ABATED</u>
<u>1</u>	<u>50%</u>
<u>2</u>	<u>45%</u>

1	<u>3</u>	<u>40%</u>
2	<u>4</u>	<u>35%</u>
3	<u>5</u>	<u>30%</u>
4	<u>6</u>	<u>25%</u>
5	<u>7</u>	<u>20%</u>
6	<u>8</u>	<u>15%</u>
7	<u>9</u>	<u>10%</u>
8	<u>10</u>	<u>5%</u>

9 (ii) The governing authority of a taxing district
10 may abate the property taxes on a banking branch that was
11 already in existence when the banking development
12 district was created under the Banking Development
13 District Act. The county clerk shall abate the taxes in
14 an amount that shall be determined by the governing
15 authority of the taxing district. The abatement shall not
16 exceed a period of 10 years in duration and 50% of the
17 taxes attributable to the improvements in amount.

18 (c) If property approved for an abatement under this
19 Section ceases to be used as a banking branch, that property
20 is no longer eligible for abatement of taxes. If an abatement
21 is discontinued under this Section, the taxing district shall
22 notify the county clerk of the discontinuation in writing no
23 later than July 1 of the assessment year to be first affected
24 by the change. If an abatement of taxes is again allowed
25 under this Section for the same property, the property shall
26 be eligible for only that portion of the abatement not
27 already used.

28 Section 99. Effective date. This Act takes effect upon
29 becoming law.