



94TH GENERAL ASSEMBLY

State of Illinois

2005 and 2006

HB4770

Introduced 1/18/2006, by Rep. Joseph M. Lyons

SYNOPSIS AS INTRODUCED:

- 30 ILCS 105/6z-26
- 30 ILCS 105/8h
- 30 ILCS 105/8j
- 205 ILCS 5/48 from Ch. 17, par. 359
- 205 ILCS 105/7-3 from Ch. 17, par. 3307-3
- 205 ILCS 105/7-19.1 from Ch. 17, par. 3307-19.1
- 205 ILCS 205/9002 from Ch. 17, par. 7309-2
- 205 ILCS 305/12 from Ch. 17, par. 4413

Amends the State Finance Act. Excludes moneys received by the Department of Financial and Professional Regulation under the Illinois Credit Union Act from those moneys required to be deposited into the Financial Institution Fund. Makes certain provisions concerning transfers to the General Revenue Fund inapplicable to (i) any fund established under the Illinois Credit Union Act, the Illinois Banking Act, the Illinois Savings and Loan Act of 1985, or the Savings Bank Act and (ii) the Professions Indirect Cost Fund. Limits transfers and expenditures from those funds to specified purposes. Prohibits the allocation or transfer of additional amounts generated by certain fee increases with respect to or from the Credit Union Fund. Amends the Illinois Banking Act, the Illinois Savings and Loan Act of 1985, and the Savings Bank Act. With respect to the moneys in each of the Bank and Trust Company Fund, the Savings and Residential Finance Regulatory Fund, and the Credit Union Fund, (i) exempts those moneys from assignment or transfer except for unappropriated administrative expenses and (ii) provides that the moneys remain the property of and must be held in trust for the financial institutions from which they were collected. For FY08, requires the Commissioner of Banks and Real Estate (now, the Director of the Division of Banks and Real Estate) to adopt rules to adjust regulatory fee rates in the specified manner. Amends the Illinois Credit Union Act. Provides that the regulatory fee paid by a credit union to the Department of Financial and Professional Regulation shall be the lesser of (i) the rate pursuant to the regulatory fee schedule or (ii) a rate established in a manner proportionately consistent with the rates in the regulatory fee schedule and that would fund the actual administrative and operational expenses of the Credit Union Section. Increases rates in the regulatory fee schedule for credit unions with total assets over \$5,000,000. Requires the Director of Financial and Professional Regulation to adjust the fee schedule for the next fiscal year. Provides that the fee schedule may be increased by no more than 5% annually if necessary to defray the actual (now, estimated) administrative and operational expenses of the Credit Union Section (now, the Department). Prohibits any increase in the fee schedule if the amount remaining in the Credit Union Fund at the end of the fiscal year is equal to or greater than 25% of the actual administrative and operational expenses for the preceding fiscal year. Requires the Director to base the regulatory fee for the next fiscal year on the credit union's total assets as of December 31 of the preceding calendar year. Beginning on July 1, 2005, requires a credit union to pay the regulatory fee in quarterly installments due and payable on the due date for the call report for the preceding quarter (now, a credit union is required to pay the regulatory fee in full no later than March 1 of each calendar year). Provides for a regulatory fee cap of \$125,000 (now, \$187,500). Effective immediately.

LRB094 17961 MKM 53264 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 5. The State Finance Act is amended by changing
5 Sections 6z-26, 8h, and 8j as follows:

6 (30 ILCS 105/6z-26)

7 Sec. 6z-26. The Financial Institution Fund. All moneys
8 received by the Department of Financial and Professional
9 Regulation under the Safety Deposit License Act, the Foreign
10 Exchange License Act, the Pawnors Societies Act, the Sale of
11 Exchange Act, the Currency Exchange Act, the Sales Finance
12 Agency Act, the Debt Management Service Act, the Consumer
13 Installment Loan Act, the Illinois Development Credit
14 Corporation Act, the Title Insurance Act, and any other Act
15 administered by the Department of Financial and Professional
16 Regulation as the successor of the Department of Financial
17 Institutions now or in the future, other than the Illinois
18 Credit Union Act, (unless an Act specifically provides
19 otherwise) shall be deposited in the Financial Institution Fund
20 (hereinafter "Fund"), a special fund that is hereby created in
21 the State Treasury.

22 Moneys in the Fund shall be used by the Department, subject
23 to appropriation, for expenses incurred in administering the
24 above named and referenced Acts.

25 The Comptroller and the State Treasurer shall transfer from
26 the General Revenue Fund to the Fund any monies received by the
27 Department after June 30, 1993, under any of the above named
28 and referenced Acts that have been deposited in the General
29 Revenue Fund.

30 As soon as possible after the end of each calendar year,
31 the Comptroller shall compare the balance in the Fund at the
32 end of the calendar year with the amount appropriated from the

1 Fund for the fiscal year beginning on July 1 of that calendar
2 year. If the balance in the Fund exceeds the amount
3 appropriated, the Comptroller and the State Treasurer shall
4 transfer from the Fund to the General Revenue Fund an amount
5 equal to the difference between the balance in the Fund and the
6 amount appropriated.

7 Nothing in this Section shall be construed to prohibit
8 appropriations from the General Revenue Fund for expenses
9 incurred in the administration of the above named and
10 referenced Acts.

11 Moneys in the Fund may be transferred to the Professions
12 Indirect Cost Fund, as authorized under Section 2105-300 of the
13 Department of Professional Regulation Law of the Civil
14 Administrative Code of Illinois.

15 (Source: P.A. 94-91, eff. 7-1-05.)

16 (30 ILCS 105/8h)

17 Sec. 8h. Transfers to General Revenue Fund.

18 (a) Except as provided in subsection (b), notwithstanding
19 any other State law to the contrary, the Governor may, through
20 June 30, 2007, from time to time direct the State Treasurer and
21 Comptroller to transfer a specified sum from any fund held by
22 the State Treasurer to the General Revenue Fund in order to
23 help defray the State's operating costs for the fiscal year.
24 The total transfer under this Section from any fund in any
25 fiscal year shall not exceed the lesser of (i) 8% of the
26 revenues to be deposited into the fund during that fiscal year
27 or (ii) an amount that leaves a remaining fund balance of 25%
28 of the July 1 fund balance of that fiscal year. In fiscal year
29 2005 only, prior to calculating the July 1, 2004 final
30 balances, the Governor may calculate and direct the State
31 Treasurer with the Comptroller to transfer additional amounts
32 determined by applying the formula authorized in Public Act
33 93-839 to the funds balances on July 1, 2003. No transfer may
34 be made from a fund under this Section that would have the
35 effect of reducing the available balance in the fund to an

1 amount less than the amount remaining unexpended and unreserved
2 from the total appropriation from that fund estimated to be
3 expended for that fiscal year. This Section does not apply to
4 any funds that are restricted by federal law to a specific use,
5 to any funds in the Motor Fuel Tax Fund, the Intercity
6 Passenger Rail Fund, the Hospital Provider Fund, the Medicaid
7 Provider Relief Fund, the Teacher Health Insurance Security
8 Fund, the Reviewing Court Alternative Dispute Resolution Fund,
9 ~~or~~ the Voters' Guide Fund, the Foreign Language Interpreter
10 Fund, the Lawyers' Assistance Program Fund, the Supreme Court
11 Federal Projects Fund, the Supreme Court Special State Projects
12 Fund, ~~or~~ the Low-Level Radioactive Waste Facility Development
13 and Operation Fund, or the Hospital Basic Services Preservation
14 Fund, or to any funds to which subsection (f) of Section 20-40
15 of the Nursing and Advanced Practice Nursing Act applies. No
16 transfers may be made under this Section from the Pet
17 Population Control Fund. Notwithstanding any other provision
18 of this Section, for fiscal year 2004, the total transfer under
19 this Section from the Road Fund or the State Construction
20 Account Fund shall not exceed the lesser of (i) 5% of the
21 revenues to be deposited into the fund during that fiscal year
22 or (ii) 25% of the beginning balance in the fund. For fiscal
23 year 2005 through fiscal year 2007, no amounts may be
24 transferred under this Section from the Road Fund, the State
25 Construction Account Fund, the Criminal Justice Information
26 Systems Trust Fund, the Wireless Service Emergency Fund, or the
27 Mandatory Arbitration Fund.

28 In determining the available balance in a fund, the
29 Governor may include receipts, transfers into the fund, and
30 other resources anticipated to be available in the fund in that
31 fiscal year.

32 The State Treasurer and Comptroller shall transfer the
33 amounts designated under this Section as soon as may be
34 practicable after receiving the direction to transfer from the
35 Governor.

36 (b) This Section does not apply to: (i) the Ticket For The

1 Cure Fund; (ii) or to any fund established under the Community
2 Senior Services and Resources Act; (iii) or (ii) on or after
3 January 1, 2006 (the effective date of Public Act 94-511) this
4 ~~amendatory Act of the 94th General Assembly,~~ the Child Labor
5 and Day and Temporary Labor Enforcement Fund; or (iv) any fund
6 established under the Illinois Credit Union Act, the Illinois
7 Banking Act, the Illinois Savings and Loan Act of 1985, or the
8 Savings Bank Act, or the Professions Indirect Cost Fund
9 established under the Department of Professional Regulation
10 Law of the Civil Administrative Code of Illinois, the transfers
11 from and expenditures of such funds being at all times limited
12 to the purposes specified in those Acts.

13 (c) This Section does not apply to the Demutualization
14 Trust Fund established under the Uniform Disposition of
15 Unclaimed Property Act.

16 (Source: P.A. 93-32, eff. 6-20-03; 93-659, eff. 2-3-04; 93-674,
17 eff. 6-10-04; 93-714, eff. 7-12-04; 93-801, eff. 7-22-04;
18 93-839, eff. 7-30-04; 93-1054, eff. 11-18-04; 93-1067, eff.
19 1-15-05; 94-91, eff. 7-1-05; 94-120, eff. 7-6-05; 94-511, eff.
20 1-1-06; 94-535, eff. 8-10-05; 94-639, eff. 8-22-05; 94-645,
21 eff. 8-22-05; 94-648, eff. 1-1-06; 94-686, eff. 11-2-05;
22 94-691, eff. 11-2-05; revised 11-15-05.)

23 (30 ILCS 105/8j)

24 Sec. 8j. Allocation and transfer of fee receipts to General
25 Revenue Fund. Notwithstanding any other law to the contrary,
26 additional amounts generated by the new and increased fees
27 created or authorized by Public Acts 93-22, 93-23, 93-24, and
28 93-32 shall be allocated between the fund otherwise entitled to
29 receive the fee and the General Revenue Fund by the Governor's
30 Office of Management and Budget, except that no allocation and
31 transfer shall be made with respect to or from the Credit Union
32 Fund. In determining the amount of the allocation to the
33 General Revenue Fund, the Director of the Governor's Office of
34 Management and Budget shall calculate whether the available
35 resources in the fund are sufficient to satisfy the unexpended

1 and unreserved appropriations from the fund for the fiscal
2 year.

3 In calculating the available resources in a fund, the
4 Director of the Governor's Office of Management and Budget may
5 include receipts, transfers into the fund, and other resources
6 anticipated to be available in the fund in that fiscal year.

7 Upon determining the amount of an allocation to the General
8 Revenue Fund under this Section, the Director of the Governor's
9 Office of Management and Budget may direct the State Treasurer
10 and Comptroller to transfer the amount of that allocation from
11 the fund in which the fee amounts have been deposited to the
12 General Revenue Fund; provided, however, that the Director
13 shall not direct the transfer of any amount that would have the
14 effect of reducing the available resources in the fund to an
15 amount less than the amount remaining unexpended and unreserved
16 from the total appropriation from that fund for that fiscal
17 year.

18 The State Treasurer and Comptroller shall transfer the
19 amounts designated under this Section as soon as may be
20 practicable after receiving the direction to transfer from the
21 Director of the Governor's Office of Management and Budget.

22 This Section does not apply to the Demutualization Trust
23 Fund established under the Uniform Disposition of Unclaimed
24 Property Act.

25 (Source: P.A. 93-25, eff. 6-20-03; 93-32, eff. 6-20-03; 94-686,
26 eff. 11-2-05.)

27 Section 10. The Illinois Banking Act is amended by changing
28 Section 48 as follows:

29 (205 ILCS 5/48) (from Ch. 17, par. 359)

30 Sec. 48. Commissioner's powers; duties. The Commissioner
31 shall have the powers and authority, and is charged with the
32 duties and responsibilities designated in this Act, and a State
33 bank shall not be subject to any other visitorial power other
34 than as authorized by this Act, except those vested in the

1 courts, or upon prior consultation with the Commissioner, a
2 foreign bank regulator with an appropriate supervisory
3 interest in the parent or affiliate of a state bank. In the
4 performance of the Commissioner's duties:

5 (1) The Commissioner shall call for statements from all
6 State banks as provided in Section 47 at least one time during
7 each calendar quarter.

8 (2) (a) The Commissioner, as often as the Commissioner
9 shall deem necessary or proper, and no less frequently than 18
10 months following the preceding examination, shall appoint a
11 suitable person or persons to make an examination of the
12 affairs of every State bank, except that for every eligible
13 State bank, as defined by regulation, the Commissioner in lieu
14 of the examination may accept on an alternating basis the
15 examination made by the eligible State bank's appropriate
16 federal banking agency pursuant to Section 111 of the Federal
17 Deposit Insurance Corporation Improvement Act of 1991,
18 provided the appropriate federal banking agency has made such
19 an examination. A person so appointed shall not be a
20 stockholder or officer or employee of any bank which that
21 person may be directed to examine, and shall have powers to
22 make a thorough examination into all the affairs of the bank
23 and in so doing to examine any of the officers or agents or
24 employees thereof on oath and shall make a full and detailed
25 report of the condition of the bank to the Commissioner. In
26 making the examination the examiners shall include an
27 examination of the affairs of all the affiliates of the bank,
28 as defined in subsection (b) of Section 35.2 of this Act, or
29 subsidiaries of the bank as shall be necessary to disclose
30 fully the conditions of the subsidiaries or affiliates, the
31 relations between the bank and the subsidiaries or affiliates
32 and the effect of those relations upon the affairs of the bank,
33 and in connection therewith shall have power to examine any of
34 the officers, directors, agents, or employees of the
35 subsidiaries or affiliates on oath. After May 31, 1997, the
36 Commissioner may enter into cooperative agreements with state

1 regulatory authorities of other states to provide for
2 examination of State bank branches in those states, and the
3 Commissioner may accept reports of examinations of State bank
4 branches from those state regulatory authorities. These
5 cooperative agreements may set forth the manner in which the
6 other state regulatory authorities may be compensated for
7 examinations prepared for and submitted to the Commissioner.

8 (b) After May 31, 1997, the Commissioner is authorized to
9 examine, as often as the Commissioner shall deem necessary or
10 proper, branches of out-of-state banks. The Commissioner may
11 establish and may assess fees to be paid to the Commissioner
12 for examinations under this subsection (b). The fees shall be
13 borne by the out-of-state bank, unless the fees are borne by
14 the state regulatory authority that chartered the out-of-state
15 bank, as determined by a cooperative agreement between the
16 Commissioner and the state regulatory authority that chartered
17 the out-of-state bank.

18 (2.5) Whenever any State bank, any subsidiary or affiliate
19 of a State bank, or after May 31, 1997, any branch of an
20 out-of-state bank causes to be performed, by contract or
21 otherwise, any bank services for itself, whether on or off its
22 premises:

23 (a) that performance shall be subject to examination by
24 the Commissioner to the same extent as if services were
25 being performed by the bank or, after May 31, 1997, branch
26 of the out-of-state bank itself on its own premises; and

27 (b) the bank or, after May 31, 1997, branch of the
28 out-of-state bank shall notify the Commissioner of the
29 existence of a service relationship. The notification
30 shall be submitted with the first statement of condition
31 (as required by Section 47 of this Act) due after the
32 making of the service contract or the performance of the
33 service, whichever occurs first. The Commissioner shall be
34 notified of each subsequent contract in the same manner.

35 For purposes of this subsection (2.5), the term "bank
36 services" means services such as sorting and posting of checks

1 and deposits, computation and posting of interest and other
2 credits and charges, preparation and mailing of checks,
3 statements, notices, and similar items, or any other clerical,
4 bookkeeping, accounting, statistical, or similar functions
5 performed for a State bank, including but not limited to
6 electronic data processing related to those bank services.

7 (3) The expense of administering this Act, including the
8 expense of the examinations of State banks as provided in this
9 Act, shall to the extent of the amounts resulting from the fees
10 provided for in paragraphs (a), (a-2), and (b) of this
11 subsection (3) be assessed against and borne by the State
12 banks:

13 (a) Each bank shall pay to the Commissioner a Call
14 Report Fee which shall be paid in quarterly installments
15 equal to one-fourth of the sum of the annual fixed fee of
16 \$800, plus a variable fee based on the assets shown on the
17 quarterly statement of condition delivered to the
18 Commissioner in accordance with Section 47 for the
19 preceding quarter according to the following schedule: 16¢
20 per \$1,000 of the first \$5,000,000 of total assets, 15¢ per
21 \$1,000 of the next \$20,000,000 of total assets, 13¢ per
22 \$1,000 of the next \$75,000,000 of total assets, 9¢ per
23 \$1,000 of the next \$400,000,000 of total assets, 7¢ per
24 \$1,000 of the next \$500,000,000 of total assets, and 5¢ per
25 \$1,000 of all assets in excess of \$1,000,000,000, of the
26 State bank. The Call Report Fee shall be calculated by the
27 Commissioner and billed to the banks for remittance at the
28 time of the quarterly statements of condition provided for
29 in Section 47. The Commissioner may require payment of the
30 fees provided in this Section by an electronic transfer of
31 funds or an automatic debit of an account of each of the
32 State banks. In case more than one examination of any bank
33 is deemed by the Commissioner to be necessary in any
34 examination frequency cycle specified in subsection 2(a)
35 of this Section, and is performed at his direction, the
36 Commissioner may assess a reasonable additional fee to

1 recover the cost of the additional examination; provided,
2 however, that an examination conducted at the request of
3 the State Treasurer pursuant to the Uniform Disposition of
4 Unclaimed Property Act shall not be deemed to be an
5 additional examination under this Section. In lieu of the
6 method and amounts set forth in this paragraph (a) for the
7 calculation of the Call Report Fee, the Commissioner may
8 specify by rule that the Call Report Fees provided by this
9 Section may be assessed semiannually or some other period
10 and may provide in the rule the formula to be used for
11 calculating and assessing the periodic Call Report Fees to
12 be paid by State banks.

13 (a-1) If in the opinion of the Commissioner an
14 emergency exists or appears likely, the Commissioner may
15 assign an examiner or examiners to monitor the affairs of a
16 State bank with whatever frequency he deems appropriate,
17 including but not limited to a daily basis. The reasonable
18 and necessary expenses of the Commissioner during the
19 period of the monitoring shall be borne by the subject
20 bank. The Commissioner shall furnish the State bank a
21 statement of time and expenses if requested to do so within
22 30 days of the conclusion of the monitoring period.

23 (a-2) On and after January 1, 1990, the reasonable and
24 necessary expenses of the Commissioner during examination
25 of the performance of electronic data processing services
26 under subsection (2.5) shall be borne by the banks for
27 which the services are provided. An amount, based upon a
28 fee structure prescribed by the Commissioner, shall be paid
29 by the banks or, after May 31, 1997, branches of
30 out-of-state banks receiving the electronic data
31 processing services along with the Call Report Fee assessed
32 under paragraph (a) of this subsection (3).

33 (a-3) After May 31, 1997, the reasonable and necessary
34 expenses of the Commissioner during examination of the
35 performance of electronic data processing services under
36 subsection (2.5) at or on behalf of branches of

1 out-of-state banks shall be borne by the out-of-state
2 banks, unless those expenses are borne by the state
3 regulatory authorities that chartered the out-of-state
4 banks, as determined by cooperative agreements between the
5 Commissioner and the state regulatory authorities that
6 chartered the out-of-state banks.

7 (b) "Fiscal year" for purposes of this Section 48 is
8 defined as a period beginning July 1 of any year and ending
9 June 30 of the next year. The Commissioner shall receive
10 for each fiscal year, commencing with the fiscal year
11 ending June 30, 1987, a contingent fee equal to the lesser
12 of the aggregate of the fees paid by all State banks under
13 paragraph (a) of subsection (3) for that year, or the
14 amount, if any, whereby the aggregate of the administration
15 expenses, as defined in paragraph (c), for that fiscal year
16 exceeds the sum of the aggregate of the fees payable by all
17 State banks for that year under paragraph (a) of subsection
18 (3), plus any amounts transferred into the Bank and Trust
19 Company Fund from the State Pensions Fund for that year,
20 plus all other amounts collected by the Commissioner for
21 that year under any other provision of this Act, plus the
22 aggregate of all fees collected for that year by the
23 Commissioner under the Corporate Fiduciary Act, excluding
24 the receivership fees provided for in Section 5-10 of the
25 Corporate Fiduciary Act, and the Foreign Banking Office
26 Act. The aggregate amount of the contingent fee thus
27 arrived at for any fiscal year shall be apportioned
28 amongst, assessed upon, and paid by the State banks and
29 foreign banking corporations, respectively, in the same
30 proportion that the fee of each under paragraph (a) of
31 subsection (3), respectively, for that year bears to the
32 aggregate for that year of the fees collected under
33 paragraph (a) of subsection (3). The aggregate amount of
34 the contingent fee, and the portion thereof to be assessed
35 upon each State bank and foreign banking corporation,
36 respectively, shall be determined by the Commissioner and

1 shall be paid by each, respectively, within 120 days of the
2 close of the period for which the contingent fee is
3 computed and is payable, and the Commissioner shall give 20
4 days advance notice of the amount of the contingent fee
5 payable by the State bank and of the date fixed by the
6 Commissioner for payment of the fee.

7 (c) The "administration expenses" for any fiscal year
8 shall mean the ordinary and contingent expenses for that
9 year incident to making the examinations provided for by,
10 and for otherwise administering, this Act, the Corporate
11 Fiduciary Act, excluding the expenses paid from the
12 Corporate Fiduciary Receivership account in the Bank and
13 Trust Company Fund, the Foreign Banking Office Act, the
14 Electronic Fund Transfer Act, and the Illinois Bank
15 Examiners' Education Foundation Act, including all
16 salaries and other compensation paid for personal services
17 rendered for the State by officers or employees of the
18 State, including the Commissioner and the Deputy
19 Commissioners, all expenditures for telephone and
20 telegraph charges, postage and postal charges, office
21 stationery, supplies and services, and office furniture
22 and equipment, including typewriters and copying and
23 duplicating machines and filing equipment, surety bond
24 premiums, and travel expenses of those officers and
25 employees, employees, expenditures or charges for the
26 acquisition, enlargement or improvement of, or for the use
27 of, any office space, building, or structure, or
28 expenditures for the maintenance thereof or for furnishing
29 heat, light, or power with respect thereto, all to the
30 extent that those expenditures are directly incidental to
31 such examinations or administration. The Commissioner
32 shall not be required by paragraphs (c) or (d-1) of this
33 subsection (3) to maintain in any fiscal year's budget
34 appropriated reserves for accrued vacation and accrued
35 sick leave that is required to be paid to employees of the
36 Commissioner upon termination of their service with the

1 Commissioner in an amount that is more than is reasonably
2 anticipated to be necessary for any anticipated turnover in
3 employees, whether due to normal attrition or due to
4 layoffs, terminations, or resignations.

5 (d) The aggregate of all fees collected by the
6 Commissioner under this Act, the Corporate Fiduciary Act,
7 or the Foreign Banking Office Act on and after July 1,
8 1979, shall be paid promptly after receipt of the same,
9 accompanied by a detailed statement thereof, into the State
10 treasury and shall be set apart in a special fund to be
11 known as the "Bank and Trust Company Fund", except as
12 provided in paragraph (c) of subsection (11) of this
13 Section. All earnings received from investments of funds in
14 the Bank and Trust Company Fund shall be deposited in the
15 Bank and Trust Company Fund and may only be used for the
16 same purposes as fees deposited in that Fund. The amount
17 from time to time deposited into the Bank and Trust Company
18 Fund shall be used exclusively for the following purposes:

19 (i) to offset the ordinary administrative expenses of the
20 Commissioner of Banks and Real Estate as defined in this
21 Section or (ii) as a credit against fees under paragraph
22 (d-1) of this subsection. No other appropriations shall be
23 made from the Bank and Trust Company Fund. All moneys in
24 the Bank and Trust Company Fund are exempt from assignment
25 or transfer under any other law or executive order, other
26 than for unappropriated administrative expenses. Nothing
27 in this amendatory Act of 1979 shall prevent continuing the
28 practice of paying expenses involving salaries,
29 retirement, social security, and State-paid insurance
30 premiums of State officers by appropriations from the
31 General Revenue Fund. However, the General Revenue Fund
32 shall be reimbursed for those payments made on and after
33 July 1, 1979, by an annual transfer of funds from the Bank
34 and Trust Company Fund. Moneys in the Bank and Trust
35 Company Fund may be transferred to the Professions Indirect
36 Cost Fund, as authorized under Section 2105-300 of the

1 Department of Professional Regulation Law of the Civil
2 Administrative Code of Illinois. Any fees assessed upon and
3 paid by State banks pursuant to this Act must be held in
4 trust to be used exclusively to pay the expenses of
5 administering this Act. The credit to State banks of
6 unexpended funds provided for under paragraph (d-1) of this
7 subsection (3) constitutes a continuing property interest
8 of the State banks in those unexpended funds.

9 (d-1) Adequate funds shall be available in the Bank and
10 Trust Company Fund to permit the timely payment of
11 administration expenses. In each fiscal year the total
12 administration expenses shall be deducted from the total
13 fees collected by the Commissioner and the remainder
14 transferred into the Cash Flow Reserve Account, unless the
15 balance of the Cash Flow Reserve Account prior to the
16 transfer equals or exceeds one-fourth of the total initial
17 appropriations from the Bank and Trust Company Fund for the
18 subsequent year, in which case the remainder shall be
19 credited to State banks and foreign banking corporations
20 and applied against their fees for the subsequent year. The
21 amount credited to each State bank and foreign banking
22 corporation shall be in the same proportion as the Call
23 Report Fees paid by each for the year bear to the total
24 Call Report Fees collected for the year. For the fiscal
25 year beginning July 1, 2007, the Commissioner must adopt
26 rules to adjust regulatory fee rates to those in effect
27 prior to the escalation in rates published in 27 Ill.Reg.
28 16024, Oct. 10, 2003, and as amended at 27 Ill.Reg. 16326,
29 Oct. 24, 2003, unless an audit by the Auditor General of
30 banking regulatory oversight activities requires a
31 different rate to be set. Any adjustments made pursuant to
32 an Auditor General's audit must be set forth in the form of
33 a notice to each affected entity 45 days prior to making
34 those adjustments. The notice must contain an explanation
35 that includes a description of the audit results pertaining
36 to the banking industry and a description of each reason

1 why adjustments to the regulatory fee rates are required.

2 If, after a transfer to the Cash Flow Reserve Account is
3 made or if no remainder is available for transfer, the
4 balance of the Cash Flow Reserve Account is less than
5 one-fourth of the total initial appropriations for the
6 subsequent year and the amount transferred is less than 5%
7 of the total Call Report Fees for the year, additional
8 amounts needed to make the transfer equal to 5% of the
9 total Call Report Fees for the year shall be apportioned
10 amongst, assessed upon, and paid by the State banks and
11 foreign banking corporations in the same proportion that
12 the Call Report Fees of each, respectively, for the year
13 bear to the total Call Report Fees collected for the year.
14 The additional amounts assessed shall be transferred into
15 the Cash Flow Reserve Account. For purposes of this
16 paragraph (d-1), the calculation of the fees collected by
17 the Commissioner shall exclude the receivership fees
18 provided for in Section 5-10 of the Corporate Fiduciary
19 Act.

20 (e) The Commissioner may upon request certify to any
21 public record in his keeping and shall have authority to
22 levy a reasonable charge for issuing certifications of any
23 public record in his keeping.

24 (f) In addition to fees authorized elsewhere in this
25 Act, the Commissioner may, in connection with a review,
26 approval, or provision of a service, levy a reasonable
27 charge to recover the cost of the review, approval, or
28 service.

29 (4) Nothing contained in this Act shall be construed to
30 limit the obligation relative to examinations and reports of
31 any State bank, deposits in which are to any extent insured by
32 the United States or any agency thereof, nor to limit in any
33 way the powers of the Commissioner with reference to
34 examinations and reports of that bank.

35 (5) The nature and condition of the assets in or investment
36 of any bonus, pension, or profit sharing plan for officers or

1 employees of every State bank or, after May 31, 1997, branch of
2 an out-of-state bank shall be deemed to be included in the
3 affairs of that State bank or branch of an out-of-state bank
4 subject to examination by the Commissioner under the provisions
5 of subsection (2) of this Section, and if the Commissioner
6 shall find from an examination that the condition of or
7 operation of the investments or assets of the plan is unlawful,
8 fraudulent, or unsafe, or that any trustee has abused his
9 trust, the Commissioner shall, if the situation so found by the
10 Commissioner shall not be corrected to his satisfaction within
11 60 days after the Commissioner has given notice to the board of
12 directors of the State bank or out-of-state bank of his
13 findings, report the facts to the Attorney General who shall
14 thereupon institute proceedings against the State bank or
15 out-of-state bank, the board of directors thereof, or the
16 trustees under such plan as the nature of the case may require.

17 (6) The Commissioner shall have the power:

18 (a) To promulgate reasonable rules for the purpose of
19 administering the provisions of this Act.

20 (a-5) To impose conditions on any approval issued by
21 the Commissioner if he determines that the conditions are
22 necessary or appropriate. These conditions shall be
23 imposed in writing and shall continue in effect for the
24 period prescribed by the Commissioner.

25 (b) To issue orders against any person, if the
26 Commissioner has reasonable cause to believe that an unsafe
27 or unsound banking practice has occurred, is occurring, or
28 is about to occur, if any person has violated, is
29 violating, or is about to violate any law, rule, or written
30 agreement with the Commissioner, or for the purpose of
31 administering the provisions of this Act and any rule
32 promulgated in accordance with this Act.

33 (b-1) To enter into agreements with a bank establishing
34 a program to correct the condition of the bank or its
35 practices.

36 (c) To appoint hearing officers to execute any of the

1 powers granted to the Commissioner under this Section for
2 the purpose of administering this Act and any rule
3 promulgated in accordance with this Act and otherwise to
4 authorize, in writing, an officer or employee of the Office
5 of Banks and Real Estate to exercise his powers under this
6 Act.

7 (d) To subpoena witnesses, to compel their attendance,
8 to administer an oath, to examine any person under oath,
9 and to require the production of any relevant books,
10 papers, accounts, and documents in the course of and
11 pursuant to any investigation being conducted, or any
12 action being taken, by the Commissioner in respect of any
13 matter relating to the duties imposed upon, or the powers
14 vested in, the Commissioner under the provisions of this
15 Act or any rule promulgated in accordance with this Act.

16 (e) To conduct hearings.

17 (7) Whenever, in the opinion of the Commissioner, any
18 director, officer, employee, or agent of a State bank or any
19 subsidiary or bank holding company of the bank or, after May
20 31, 1997, of any branch of an out-of-state bank or any
21 subsidiary or bank holding company of the bank shall have
22 violated any law, rule, or order relating to that bank or any
23 subsidiary or bank holding company of the bank, shall have
24 obstructed or impeded any examination or investigation by the
25 Commissioner, shall have engaged in an unsafe or unsound
26 practice in conducting the business of that bank or any
27 subsidiary or bank holding company of the bank, or shall have
28 violated any law or engaged or participated in any unsafe or
29 unsound practice in connection with any financial institution
30 or other business entity such that the character and fitness of
31 the director, officer, employee, or agent does not assure
32 reasonable promise of safe and sound operation of the State
33 bank, the Commissioner may issue an order of removal. If, in
34 the opinion of the Commissioner, any former director, officer,
35 employee, or agent of a State bank or any subsidiary or bank
36 holding company of the bank, prior to the termination of his or

1 her service with that bank or any subsidiary or bank holding
2 company of the bank, violated any law, rule, or order relating
3 to that State bank or any subsidiary or bank holding company of
4 the bank, obstructed or impeded any examination or
5 investigation by the Commissioner, engaged in an unsafe or
6 unsound practice in conducting the business of that bank or any
7 subsidiary or bank holding company of the bank, or violated any
8 law or engaged or participated in any unsafe or unsound
9 practice in connection with any financial institution or other
10 business entity such that the character and fitness of the
11 director, officer, employee, or agent would not have assured
12 reasonable promise of safe and sound operation of the State
13 bank, the Commissioner may issue an order prohibiting that
14 person from further service with a bank or any subsidiary or
15 bank holding company of the bank as a director, officer,
16 employee, or agent. An order issued pursuant to this subsection
17 shall be served upon the director, officer, employee, or agent.
18 A copy of the order shall be sent to each director of the bank
19 affected by registered mail. The person affected by the action
20 may request a hearing before the State Banking Board within 10
21 days after receipt of the order. The hearing shall be held by
22 the Board within 30 days after the request has been received by
23 the Board. The Board shall make a determination approving,
24 modifying, or disapproving the order of the Commissioner as its
25 final administrative decision. If a hearing is held by the
26 Board, the Board shall make its determination within 60 days
27 from the conclusion of the hearing. Any person affected by a
28 decision of the Board under this subsection (7) of Section 48
29 of this Act may have the decision reviewed only under and in
30 accordance with the Administrative Review Law and the rules
31 adopted pursuant thereto. A copy of the order shall also be
32 served upon the bank of which he is a director, officer,
33 employee, or agent, whereupon he shall cease to be a director,
34 officer, employee, or agent of that bank. The Commissioner may
35 institute a civil action against the director, officer, or
36 agent of the State bank or, after May 31, 1997, of the branch

1 of the out-of-state bank against whom any order provided for by
2 this subsection (7) of this Section 48 has been issued, and
3 against the State bank or, after May 31, 1997, out-of-state
4 bank, to enforce compliance with or to enjoin any violation of
5 the terms of the order. Any person who has been the subject of
6 an order of removal or an order of prohibition issued by the
7 Commissioner under this subsection or Section 5-6 of the
8 Corporate Fiduciary Act may not thereafter serve as director,
9 officer, employee, or agent of any State bank or of any branch
10 of any out-of-state bank, or of any corporate fiduciary, as
11 defined in Section 1-5.05 of the Corporate Fiduciary Act, or of
12 any other entity that is subject to licensure or regulation by
13 the Commissioner or the Office of Banks and Real Estate unless
14 the Commissioner has granted prior approval in writing.

15 For purposes of this paragraph (7), "bank holding company"
16 has the meaning prescribed in Section 2 of the Illinois Bank
17 Holding Company Act of 1957.

18 (8) The Commissioner may impose civil penalties of up to
19 \$10,000 against any person for each violation of any provision
20 of this Act, any rule promulgated in accordance with this Act,
21 any order of the Commissioner, or any other action which in the
22 Commissioner's discretion is an unsafe or unsound banking
23 practice.

24 (9) The Commissioner may impose civil penalties of up to
25 \$100 against any person for the first failure to comply with
26 reporting requirements set forth in the report of examination
27 of the bank and up to \$200 for the second and subsequent
28 failures to comply with those reporting requirements.

29 (10) All final administrative decisions of the
30 Commissioner hereunder shall be subject to judicial review
31 pursuant to the provisions of the Administrative Review Law.
32 For matters involving administrative review, venue shall be in
33 either Sangamon County or Cook County.

34 (11) The endowment fund for the Illinois Bank Examiners'
35 Education Foundation shall be administered as follows:

36 (a) (Blank).

1 (b) The Foundation is empowered to receive voluntary
2 contributions, gifts, grants, bequests, and donations on
3 behalf of the Illinois Bank Examiners' Education
4 Foundation from national banks and other persons for the
5 purpose of funding the endowment of the Illinois Bank
6 Examiners' Education Foundation.

7 (c) The aggregate of all special educational fees
8 collected by the Commissioner and property received by the
9 Commissioner on behalf of the Illinois Bank Examiners'
10 Education Foundation under this subsection (11) on or after
11 June 30, 1986, shall be either (i) promptly paid after
12 receipt of the same, accompanied by a detailed statement
13 thereof, into the State Treasury and shall be set apart in
14 a special fund to be known as "The Illinois Bank Examiners'
15 Education Fund" to be invested by either the Treasurer of
16 the State of Illinois in the Public Treasurers' Investment
17 Pool or in any other investment he is authorized to make or
18 by the Illinois State Board of Investment as the board of
19 trustees of the Illinois Bank Examiners' Education
20 Foundation may direct or (ii) deposited into an account
21 maintained in a commercial bank or corporate fiduciary in
22 the name of the Illinois Bank Examiners' Education
23 Foundation pursuant to the order and direction of the Board
24 of Trustees of the Illinois Bank Examiners' Education
25 Foundation.

26 (12) (Blank).

27 (Source: P.A. 94-91, eff. 7-1-05.)

28 Section 15. The Illinois Savings and Loan Act of 1985 is
29 amended by changing Sections 7-3 and 7-19.1 as follows:

30 (205 ILCS 105/7-3) (from Ch. 17, par. 3307-3)

31 Sec. 7-3. Personnel, records, files, actions and duties,
32 etc.

33 (a) The Commissioner shall appoint, subject to applicable
34 provisions of the Personnel Code, a supervisor, such examiners,

1 employees, experts and special assistants as may be necessary
2 to carry out effectively this Act. The Commissioner shall
3 require each supervisor, examiner, expert and special
4 assistant employed or appointed by him to give bond, with
5 security to be approved by the Commissioner, not less in any
6 case than \$15,000, conditioned for the faithful discharge of
7 his duties. The premium on such bond shall be paid by the
8 Commissioner from funds appropriated for that purpose. The
9 bond, along with verification of payment of the premium on such
10 bond, shall be filed in the office of the Secretary of State.

11 (b) The Commissioner shall have the following duties and
12 powers:

13 (1) To exercise the rights, powers and duties set forth in
14 this Act or in any other related Act;

15 (2) To establish such regulations as may be reasonable or
16 necessary to accomplish the purposes of this Act;

17 (3) To direct and supervise all the administrative and
18 technical activities of this office and create an Advisory
19 Committee which upon request will make recommendations to him;

20 (4) To make an annual report regarding the work of his
21 office as he may consider desirable to the Governor, or as the
22 Governor may request;

23 (5) To cause a suit to be filed in his name to enforce any
24 law of this State that applies to an association, subsidiary of
25 an association, or holding company operating under this Act and
26 shall include the enforcement of any obligation of the
27 officers, directors or employees of any association;

28 (6) To prescribe a uniform manner in which the books and
29 records of every association are to be maintained; and

30 (7) To establish reasonable and rationally based fee
31 structures for each association and holding company operating
32 under this Act and for their service corporations and
33 subsidiaries, which fees shall include but not be limited to
34 annual fees, application fees, regular and special examination
35 fees, and such other fees as the Commissioner establishes and
36 demonstrates to be directly resultant from his

1 responsibilities under this Act and as are directly
2 attributable to individual entities operating under this Act.
3 For the fiscal year beginning on July 1, 2007, the Commissioner
4 must adopt rules to adjust regulatory fee rates to those in
5 effect prior to the escalation in rates published in 27
6 Ill.Reg. 16024, Oct. 10, 2003, and as amended at 27 Ill.Reg.
7 16326, Oct. 24, 2003, unless an audit by the Auditor General of
8 banking regulatory oversight activities requires a different
9 rate to be set. Any adjustments made pursuant to an Auditor
10 General's audit must be set forth in the form of a notice to
11 each affected entity 45 days prior to making those adjustments.
12 The notice must contain an explanation that includes a
13 description of the audit results pertaining to the banking
14 industry and a description of each reason why adjustments to
15 the regulatory fee rates are required.

16 (Source: P.A. 85-313.)

17 (205 ILCS 105/7-19.1) (from Ch. 17, par. 3307-19.1)

18 Sec. 7-19.1. Savings and Residential Finance Regulatory
19 Fund.

20 (a) The aggregate of all fees collected by the Commissioner
21 under this Act shall be paid promptly after receipt of the
22 same, accompanied by a detailed statement thereof, into the
23 State treasury and shall be set apart in the Savings and
24 Residential Finance Regulatory Fund, a special fund hereby
25 created in the State treasury. The amounts deposited into the
26 Fund shall be solely and exclusively used for the ordinary and
27 contingent expenses of the Commissioner in administering the
28 Illinois Savings and Loan Act of 1985, the Savings Bank Act,
29 and the Residential Mortgage License Act of 1987 ~~Office of~~
30 ~~Banks and Real Estate~~. Nothing in this Act shall prevent
31 continuing the practice of paying expenses involving salaries,
32 retirement, social security, and State-paid insurance of State
33 officers by appropriation from the General Revenue Fund.

34 (b) Except as otherwise provided in subsection (b-5), no
35 moneys in the Savings and Residential Finance Regulatory Fund

1 shall ~~may not~~ be appropriated, assigned, or transferred to
2 another State fund. All moneys in the Fund shall be exempt from
3 assignment or transfer under any other law or executive order,
4 other than for unappropriated administrative expenses. All ~~The~~
5 moneys in the Fund shall remain the property of and shall be
6 held in trust for the sole benefit and exclusive regulation of
7 ~~be for the sole benefit of~~ the institutions and entities
8 assessed.

9 (b-5) Moneys in the Savings and Residential Finance
10 Regulatory Fund may be transferred to the Professions Indirect
11 Cost Fund, as authorized under Section 2105-300 of the
12 Department of Professional Regulation Law of the Civil
13 Administrative Code of Illinois.

14 (c) All earnings received from investments of funds in the
15 Savings and Residential Finance Regulatory Fund shall be
16 deposited into the Savings and Residential Finance Regulatory
17 Fund and may be used for the same purposes as fees deposited
18 into that Fund.

19 (d) When the amount remaining in the Savings and
20 Residential Finance Regulatory Fund at the end of a fiscal year
21 exceeds 25% of the total actual administrative and operational
22 expenses incurred under the Illinois Savings and Loan Act of
23 1985, the Savings Bank Act, and the Residential Mortgage
24 License Act of 1987 for that fiscal year, the excess must be
25 credited to the appropriate institutions and entities and
26 applied against their regulatory fees for the subsequent fiscal
27 year. The amount credited to the institution or entity must be
28 in the same proportion that the fees paid by the institution or
29 entity for the fiscal year in which the excess is produced
30 bears to the aggregate of the fees collected by the
31 Commissioner under the Illinois Savings and Loan Act of 1985,
32 the Savings Bank Act, and the Residential Mortgage License Act
33 of 1987 for the same fiscal year. For the purpose of this
34 Section, "fiscal year" means the period beginning July 1 of any
35 calendar year and ending June 30 of the next calendar year.

36 (Source: P.A. 94-91, eff. 7-1-05.)

1 Section 20. The Savings Bank Act is amended by changing
2 Section 9002 as follows:

3 (205 ILCS 205/9002) (from Ch. 17, par. 7309-2)

4 Sec. 9002. Powers of Commissioner. The Commissioner shall
5 have the following powers and duties:

6 (1) To exercise the rights, powers, and duties set forth in
7 this Act or in any related Act.

8 (2) To establish regulations as may be reasonable or
9 necessary to accomplish the purposes of this Act.

10 (3) To make an annual report regarding the work of his
11 office under this Act as he may consider desirable to the
12 Governor, or as the Governor may request.

13 (4) To cause a suit to be filed in his name to enforce any
14 law of this State that applies to savings banks, their service
15 corporations, subsidiaries, affiliates, or holding companies
16 operating under this Act, including the enforcement of any
17 obligation of the officers, directors, agents, or employees of
18 any savings bank.

19 (5) To prescribe a uniform manner in which the books and
20 records of every savings bank are to be maintained.

21 (6) To establish a reasonable fee structure for savings
22 banks and holding companies operating under this Act and for
23 their service corporations and subsidiaries. The fees shall
24 include, but not be limited to, annual fees, application fees,
25 regular and special examination fees, and other fees as the
26 Commissioner establishes and demonstrates to be directly
27 resultant from the Commissioner's responsibilities under this
28 Act and as are directly attributable to individual entities
29 operating under this Act. The aggregate of all fees collected
30 by the Commissioner on and after the effective date of this Act
31 shall be paid promptly after receipt of the same, accompanied
32 by a detailed statement thereof, into the Savings and
33 Residential Finance Regulatory Fund. The amounts deposited
34 into the Fund shall be used for the ordinary and contingent

1 expenses of the Office of Banks and Real Estate. Nothing in
 2 this Act shall prevent continuing the practice of paying
 3 expenses involving salaries, retirement, social security, and
 4 State-paid insurance of State officers by appropriation from
 5 the General Revenue Fund. For the fiscal year beginning July 1,
 6 2007, the Commissioner must adopt rules to adjust regulatory
 7 fee rates to those in effect prior to the escalation in rates
 8 published in 27 Ill.Reg. 16024, Oct. 10, 2003, and as amended
 9 at 27 Ill.Reg. 16326, Oct. 24, 2003, unless an audit by the
 10 Auditor General of banking regulatory oversight activities
 11 requires a different rate to be set. Any adjustments made
 12 pursuant to an Auditor General's audit must be set forth in the
 13 form of a notice to each affected entity 45 days prior to
 14 making those adjustments. The notice must contain an
 15 explanation that includes a description of the audit results
 16 pertaining to the banking industry and a description of each
 17 reason why adjustments to the regulatory fee rates are
 18 required.

19 (Source: P.A. 89-508, eff. 7-3-96.)

20 Section 25. The Illinois Credit Union Act is amended by
 21 changing Section 12 as follows:

22 (205 ILCS 305/12) (from Ch. 17, par. 4413)

23 Sec. 12. Regulatory fees.

24 (1) A credit union regulated by the Department shall pay a
 25 regulatory fee to the Department pursuant to a regulatory fee
 26 schedule based upon the credit union's ~~its~~ total assets as
 27 shown by its Year-end Call Report at the following rates or at
 28 a lesser rate established in a manner proportionately
 29 consistent with the following rates and that would fund the
 30 actual administrative and operational expenses of the Credit
 31 Union Section pursuant to subsection (5):

32	TOTAL ASSETS	REGULATORY FEE
33	\$25,000 or less	\$100
34	Over \$25,000 and not over	

1 \$100,000 \$100 plus \$4 per
2 \$1,000 of assets in excess of
3 \$25,000
4 Over \$100,000 and not over
5 \$200,000 \$400 plus \$3 per
6 \$1,000 of assets in excess of
7 \$100,000
8 Over \$200,000 and not over
9 \$500,000 \$700 plus \$2 per
10 \$1,000 of assets in excess of
11 \$200,000
12 Over \$500,000 and not over
13 \$1,000,000 \$1,300 plus \$1.40
14 per \$1,000 of assets in excess
15 of \$500,000
16 Over \$1,000,000 and not
17 over \$5,000,000 \$2,000 plus \$0.50
18 per \$1,000 of assets in
19 excess of \$1,000,000
20 Over \$5,000,000 and not
21 over \$30,000,000 \$4,000 ~~\$5,000~~ plus \$0.35 ~~\$0.44~~
22 per \$1,000 assets
23 in excess of \$5,000,000
24 Over \$30,000,000 and not
25 over \$100,000,000 \$12,750 ~~\$16,192~~ plus \$0.30
26 ~~\$0.38~~
27 per \$1,000 of assets in
28 excess of \$30,000,000
29 Over \$100,000,000 and not
30 over \$500,000,000 \$33,750 ~~\$42,862~~ plus \$0.15
31 ~~\$0.19~~
32 per \$1,000 of assets in
33 excess of \$100,000,000
34 Over \$500,000,000 \$93,750 ~~\$140,625~~ plus \$0.05
35 ~~\$0.075~~
36 per \$1,000 of assets in

1 excess of \$500,000,000

2 (2) The Director shall review the regulatory fee schedule
3 ~~in subsection (1)~~ and the projected earnings on those fees on
4 an annual basis and adjust the fee schedule for the next fiscal
5 year. The fee schedule may be increased by no more than 5%
6 annually if necessary to defray the actual ~~estimated~~
7 administrative and operational expenses of the Credit Union
8 Section, Department as defined in subsection (5). However, the
9 fee schedule shall not be increased if the amount remaining in
10 the Credit Union Fund at the end of the fiscal year is equal to
11 or greater than 25% of the actual administrative and
12 operational expenses for the preceding fiscal year. The
13 regulatory fee for the next fiscal year shall be calculated by
14 the Director based on the credit union's total assets as of
15 December 31 of the preceding calendar year. The Director shall
16 provide credit unions with written notice of any adjustment
17 made in the regulatory fee schedule.

18 (3) Beginning on July 1, 2007, each fiscal year ~~Not later~~
19 ~~than March 1 of each calendar year,~~ a credit union shall pay to
20 the Department a regulatory fee in quarterly installments equal
21 to one-fourth of the regulatory fee due for that fiscal year
22 ~~for that calendar year in accordance with the regulatory fee~~
23 ~~schedule in subsection (1), on the basis of assets as of the~~
24 ~~Year-end Call Report of the preceding year.~~ The total annual
25 regulatory fee shall not be less than \$100 or more than
26 \$125,000 ~~\$187,500~~, provided that the regulatory fee cap of
27 \$125,000 ~~\$187,500~~ shall be adjusted to incorporate the same
28 percentage increase as the Director makes in the regulatory fee
29 schedule from time to time under subsection (2). No regulatory
30 fee shall be collected from a credit union until it has been in
31 operation for one year. The regulatory fee shall be billed to
32 credit unions on a quarterly basis and payable by credit unions
33 on the due date for the call report for the preceding quarter.

34 (4) The aggregate of all fees collected by the Department
35 under this Act shall be paid promptly after they are received,
36 accompanied by a detailed statement thereof, into the State

1 Treasury and shall be set apart in the Credit Union Fund, a
2 special fund hereby created in the State treasury. The amount
3 from time to time deposited in the Credit Union Fund and shall
4 be used solely and exclusively to offset the actual ordinary
5 administrative and operational expenses of the Credit Union
6 Section Department under this Act. All earnings received from
7 investments of funds in the Credit Union Fund shall be
8 deposited into the Credit Union Fund and may be used for the
9 same purposes as fees deposited into that Fund. Moneys
10 deposited into the Credit Union Fund shall remain the property
11 of credit unions and shall be held in trust by the State for
12 the benefit and account of credit unions unless and until such
13 time as the moneys are expended for the purposes authorized in
14 this Act. No other appropriations shall be made from the Credit
15 Union Fund, and the moneys in the Credit Union Fund shall be
16 exempt from assignment or transfer under any other law or
17 executive order, other than for unappropriated administrative
18 expenses. Moneys in the Credit Union Fund may be transferred to
19 the Professions Indirect Cost Fund, as authorized under Section
20 2105-300 of the Department of Professional Regulation Law of
21 the Civil Administrative Code of Illinois.

22 (5) The actual administrative and operational expenses of
23 the Credit Union Section for any fiscal calendar year shall
24 mean the ordinary and contingent expenses for that year
25 incidental to making the examinations provided for by, and for
26 administering, this Act, including all salaries and other
27 compensation paid for personal services rendered for the State
28 by officers or employees of the State to enforce this Act; all
29 expenditures for telephone and telegraph charges, postage and
30 postal charges, office supplies and services, furniture and
31 equipment, office space and maintenance thereof, travel
32 expenses and other necessary expenses; all to the extent that
33 such expenditures are directly incidental to such examination
34 or administration.

35 (6) When the balance in the Credit Union Fund at the end of
36 a fiscal year exceeds 25% aggregate of all fees collected by

1 ~~the Department under this Act and all earnings thereon for any~~
2 ~~calendar year exceeds 150%~~ of the total actual administrative
3 and operational expenses under this Act for that fiscal year,
4 such excess shall be credited to credit unions and applied
5 against their regulatory fees for the subsequent fiscal year.
6 The amount credited to a credit union shall be in the same
7 proportion as the fee paid by such credit union for the fiscal
8 ~~calendar~~ year in which the excess is produced bears to the
9 aggregate of the fees collected by the Department under this
10 Act for the same fiscal year.

11 (7) Examination fees for the year 2000 statutory
12 examinations paid pursuant to the examination fee schedule in
13 effect at that time shall be credited toward the regulatory fee
14 to be assessed the credit union in calendar year 2001.

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

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

21 (Source: P.A. 93-32, eff. 7-1-03; 93-652, eff. 1-8-04; 94-91,
22 eff. 7-1-05.)

23 Section 99. Effective date. This Act takes effect upon
24 becoming law.