



Sen. Terry Link

Filed: 5/18/2007

09500HB0497sam003

LRB095 05354 MJR 36582 a

1 AMENDMENT TO HOUSE BILL 497

2 AMENDMENT NO. _____. Amend House Bill 497, AS AMENDED, by
3 replacing everything after the enacting clause with the
4 following:

5 "Section 5. The Illinois Banking Act is amended by adding
6 Section 21.5 as follows:

7 (205 ILCS 5/21.5 new)

8 Sec. 21.5. Prohibition against establishment of branches
9 on or near the premises of certain affiliates.

10 (a) For purposes of this Section:

11 "Affiliate" has the meaning ascribed to that term in item
12 (1) of subsection (b) of Section 35.2 of this Act, except that
13 for purposes of this Section, the provisions in item (1) of
14 subsection (b) of Section 35.2 shall apply to all banks.

15 "Bank" has the meaning ascribed to that term in the Federal
16 Deposit Insurance Act and includes any out-of-state bank.

1 "Bank holding company" and "financial holding company"
2 have the meanings ascribed to those terms in the federal Bank
3 Holding Company Act of 1956.

4 (b) Notwithstanding any other law of this State, no bank
5 may establish or maintain a branch that accepts deposits on or
6 adjacent to the premises of an affiliate of the bank if the
7 affiliate engages in any commercial activity that could not
8 lawfully be conducted by a bank holding company, a financial
9 holding company, or a subsidiary of the bank holding company or
10 financial holding company, pursuant to federal law.

11 (c) This Section shall not apply to an affiliate that
12 operates solely for the purpose of owning or leasing the real
13 estate on which the branch that accepts deposits is located.

14 (d) This Section shall not be construed to prohibit the
15 maintenance of a branch that was established prior to May 10,
16 2007, or the conduct of any transactions that were lawfully
17 being conducted at the branch prior to May 10, 2007.

18 (e) The Commissioner may make and enforce reasonable rules,
19 regulations, directions, orders, decisions, and findings as
20 the execution and enforcement of the provisions of this Section
21 require.

22 Section 10. The Savings Bank Act is amended by adding
23 Section 1006.10 as follows:

24 (205 ILCS 205/1006.10 new)

1 Sec. 1006.10. Prohibition against establishment of offices
2 or branches on or adjacent to the premises of certain
3 affiliates.

4 (a) For purposes of this Section:

5 "Affiliate" has the meaning ascribed to that term in item
6 (1) of subsection (b) of Section 35.2 of the Illinois Banking
7 Act, except that for purposes of this Section, the provisions
8 in item (1) of subsection (b) of Section 35.2 shall apply to
9 all savings banks.

10 "Savings bank" means a savings bank operating under this
11 Act, an out-of-state savings bank as defined under this Act, or
12 a savings association defined in the Federal Deposit Insurance
13 Act.

14 "Savings bank holding company" has the meaning ascribed in
15 this Act.

16 (b) Notwithstanding any other law of this State, no savings
17 bank may establish or maintain a branch that accepts deposits
18 on or adjacent to the premises of an affiliate of the savings
19 bank if the affiliate engages in any commercial activity that
20 could not lawfully be conducted by a savings bank holding
21 company or a subsidiary of the savings bank holding company
22 pursuant to federal law.

23 (c) This Section shall not apply to an affiliate that
24 operates solely for the purpose of owning or leasing the real
25 estate on which the branch that accepts deposits is located.

26 (d) This Section shall not be construed to prohibit the

1 maintenance of a branch that was established prior to May 10,
2 2007, or the conduct of any transactions that were lawfully
3 being conducted at the branch prior to May 10, 2007.

4 (e) The Commissioner may make and enforce such reasonable
5 rules, regulations, directions, orders, decisions, and
6 findings as the execution and enforcement of the provisions of
7 this Section require.

8 Section 99. Effective date. This Act takes effect upon
9 becoming law.".