



Sen. Kimberly A. Lightford

Filed: 2/27/2004

09300SB2710sam001

LRB093 19061 SAS 48165 a

1 AMENDMENT TO SENATE BILL 2710

2 AMENDMENT NO. _____. Amend Senate Bill 2710 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Savings Bank Act is amended by changing
5 Section 1006 and by adding Sections 1006.05 and 1007.130 as
6 follows:

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

8 Sec. 1006. Parity.

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

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

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

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

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

1 holding company;

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

7 (5) as the result of mergers, consolidations, or bulk
8 sales of facilities in the case of relocations; and -

9 (6) to the extent the Commissioner deems states to be
10 reciprocal under the provisions of Section 1006.05 of this
11 Act.

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

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

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

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

29 (205 ILCS 205/1006.05 new)

30 Sec. 1006.05. Out-of-state savings banks establishing
31 branches.

32 (a) No out-of-state savings bank whose main banking
33 premises is located in a state other than Illinois shall

1 establish a branch in this State, other than a branch
2 authorized pursuant to any other provision of this Act, unless:

3 (1) the laws of the state in which such out-of-state
4 savings bank has its main banking premises permit the
5 out-of-state savings bank to establish a branch in this
6 State;

7 (2) the out-of-state savings bank has its main banking
8 premises in a state that permits an Illinois State savings
9 bank to establish a branch in that state pursuant to terms
10 and conditions that are deemed to be reciprocal with the
11 provisions of this Act;

12 (3) the out-of-state savings bank obtains a
13 certificate of authority from the Commissioner as provided
14 in this Section.

15 (b) Before the out-of-state savings bank intends to do
16 business at such branch in this State, the out-of-state savings
17 bank must file an application for a certificate of authority on
18 forms specified by the Commissioner which shall request, to the
19 extent applicable, the same information required in an
20 application by a foreign corporation pursuant to Section 13.15
21 of the Business Corporation Act of 1983. The Commissioner may
22 require additional information or documents from the applicant
23 as part of the application. The Commissioner shall also request
24 confirmation, from the out-of-state savings bank's chartering
25 authority, of the authority of the out-of-state savings bank to
26 establish the branch and of any necessary regulatory approval.
27 After receiving a completed application and the relevant
28 confirmations or approval from the state, the Commissioner
29 shall issue a certificate of authority authorizing the
30 out-of-state savings bank to establish the branch consistent
31 with the provisions of this Section.

32 (c) The determination of whether the laws of the state in
33 which the out-of-state savings bank has its main banking
34 premises are reciprocal with the provisions of this Act shall

1 be made in writing by the Commissioner. The Commissioner shall
2 not make a finding of reciprocity unless the Commissioner
3 determines that the laws of the other state permit an Illinois
4 State savings bank to establish a branch in the other state
5 under terms and conditions that are substantially similar to
6 the provisions of this Section. The Commissioner shall
7 consider, at a minimum, whether the laws of the other state
8 discriminate in any way against an Illinois State savings bank
9 and whether the laws of the other state impose administrative
10 or regulatory burdens that are substantially more restrictive
11 than those imposed by this Act on an out-of-state savings bank
12 seeking to establish a branch in this State.

13 (d) After the out-of-state savings bank lawfully
14 establishes a branch in this State pursuant to the provisions
15 of this Section, the out-of-state savings bank may establish
16 and maintain additional branches in this State to the same
17 extent as an Illinois State savings bank. An out-of-state
18 savings bank shall provide written notice to the Commissioner
19 of its intent to establish an additional branch or branches in
20 this State within 30 days after receiving approval from the
21 appropriate regulatory agencies to establish the branch or
22 branches. The form of the notice shall be specified by the
23 Commissioner and may include any of the information required
24 for a similar notice by an Illinois State savings bank. Receipt
25 by the Commissioner of notice of the out-of-state savings
26 bank's intent to establish the additional branch or branches in
27 this State from the out-of-state savings bank's chartering
28 authority shall satisfy the notice requirements of this
29 subsection (d).

30 (e) A branch of an out-of-state savings bank may not
31 conduct any activity that is not authorized for an Illinois
32 State savings bank.

1 Sec. 1007.130. "Out-of-state savings bank" means a savings
2 bank chartered under the laws of a state other than Illinois, a
3 territory of the United States, or the District of Columbia."