

AN ACT concerning regulation.

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

Section 5. The Illinois Savings and Loan Act of 1985 is amended by adding Section 1-1.5 and by changing Section 1-5 as follows:

(205 ILCS 105/1-1.5 new)

Sec. 1-1.5. References to Office or Commissioner of Banks and Real Estate. On and after the effective date of this amendatory Act of the 94th General Assembly, unless the context requires otherwise:

(1) References in this Act to the Office of Banks and Real Estate or "the Office" mean the Department of Financial and Professional Regulation.

(2) References in this Act to the Commissioner of Banks and Real Estate or "the Commissioner" mean the Secretary of Financial and Professional Regulation.

(205 ILCS 105/1-5) (from Ch. 17, par. 3301-5)

Sec. 1-5. Prohibitions.

(a) No person or group of persons, except an association duly incorporated under this Act or a prior Act or a Federal association or a foreign association duly authorized to do business in this State, shall transact business within the scope of this Act or do any business under any name or title or circulate or use any advertising or make any representation or give any information to any person which indicates or reasonably implies the operation of a business which is within the scope of this Act.

(b) A circuit court may issue an injunction to restrain any person from violating or continuing to violate subsection (a) ~~any of the foregoing provisions~~ of this Section.

(b-5) Except as otherwise expressly permitted by law or with the written consent of the association, no person or group of persons may use the name of or a name similar to the name of an existing association when marketing or soliciting business from customers or prospective customers if the name or similar name is used in a manner that would cause a reasonable person to believe that the marketing material or solicitation originated from or is endorsed by the existing association or that the existing association is in any other way responsible for the marketing material or solicitation.

(c) Any person or group of persons who violates subsection (a) of ~~any provision of~~ this Section commits a business offense and shall be fined not to exceed \$5,000.

(d) In addition to any other available remedies, an existing association may report an alleged violation of any provision of this Section to the Secretary. If the Secretary of Financial and Professional Regulation finds that any person or group of persons is in violation of any provision of this Section, then the Secretary may direct that person or group of persons to cease and desist from that violation. If the Secretary issues a cease and desist order against any person or group of persons for violation of subsection (b-5), then the order must require that person or group of persons to cease and desist from using the offending marketing material or solicitation in Illinois.

If the person or group of persons against whom the Secretary issued the cease and desist order persists in the violation, then the Secretary may impose a civil penalty of up to \$10,000 for each violation. Each day that a person or group of persons is in violation of this Section constitutes a separate violation of this Section and each instance in which marketing material or a solicitation is sent in violation of subsection (b-5) constitutes a separate violation of this Section.

(e) The Department of Financial and Professional Regulation may adopt rules to administer the provisions of this

Section.

(Source: P.A. 84-543.)

Section 10. The Savings Bank Act is amended by adding Section 1001.5 and by changing Section 1004 as follows:

(205 ILCS 205/1001.5 new)

Sec. 1001.5. References to Office or Commissioner of Banks and Real Estate. On and after the effective date of this amendatory Act of the 94th General Assembly, unless the context requires otherwise:

(1) References in this Act to the Office of Banks and Real Estate or "the Office" mean the Department of Financial and Professional Regulation.

(2) References in this Act to the Commissioner of Banks and Real Estate or "the Commissioner" mean the Secretary of Financial and Professional Regulation.

(205 ILCS 205/1004) (from Ch. 17, par. 7301-4)

Sec. 1004. Applicability.

(a) This Act shall apply to all financial institutions no matter how named or chartered, if they comply with the provisions of this Act and with the rules of the Commissioner promulgated pursuant to this Act.

(b) No person or group of persons, except a savings bank duly organized or authorized under this Act, a predecessor Act, or a federal Act may transact business within the scope of this Act or do business under any name or title or circulate or use any advertising or make any representations or give any information to anyone using any media, including electronic media, that indicates or implies the operation of a business within the scope of this Act. Nothing herein shall prohibit the continued use of the name or title "savings bank" by any bank or savings and loan association if the use of that name or title was in effect before January 1, 1990.

(c) Except as otherwise expressly permitted by law or with

the written consent of the savings bank, no person or group of persons may use the name of or a name similar to the name of an existing savings bank when marketing or soliciting business from customers or prospective customers if the name or similar name is used in a manner that would cause a reasonable person to believe that the marketing material or solicitation originated from or is endorsed by the existing savings bank or that the existing savings bank is in any other way responsible for the marketing material or solicitation.

(d) Any person who violates subsection (b) of this Section commits a business offense and shall be fined in an amount not to exceed \$5,000.

(e) In addition to any other available remedies, any existing savings bank may report an alleged violation of any provision of this Section to the Secretary of Financial and Professional Regulation. If the Secretary finds that any person or group of persons is in violation of any provision of this Section, then the Secretary may direct that person or group of persons to cease and desist from that violation. If the Secretary issues a cease and desist order against any person or group of persons for violation of subsection (c), then the order must require that person or group of persons to cease and desist from using the offending marketing material or solicitation in Illinois.

If the person or group of persons against whom the Secretary issued the cease and desist order persists in the violation, then the Secretary may impose a civil penalty of up to \$10,000 for each violation. Each day that a person or group of persons is in violation of this Section constitutes a separate violation of this Section and each instance in which marketing material or a solicitation is sent in violation of subsection (c) constitutes a separate violation of this Section.

(f) The Department of Financial and Professional Regulation may adopt rules to administer the provisions of this Section.

Public Act 094-0833

HB4345 Enrolled

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

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