Amends the Illinois Banking Act, the Savings Bank Act, and the Illinois Credit Union Act. Allows certain financial institutions to refuse a transaction if an employee or officer has fulfilled certain training requirements under the Adult Protective Services Act and reasonably believes that an act of financial exploitation of an eligible adult has occurred or may occur. Provides that neither the financial institution nor its employees or officers shall be liable for any actions taken in good faith under the provisions. Effective immediately.
AN ACT concerning regulation.

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

Section 5. The Illinois Banking Act is amended by changing Section 5 as follows:

(205 ILCS 5/5) (from Ch. 17, par. 311)

Sec. 5. General corporate powers. A bank organized under this Act or subject hereto shall be a body corporate and politic and shall, without specific mention thereof in the charter, have all the powers conferred by this Act and the following additional general corporate powers:

(1) To sue and be sued, complain, and defend in its corporate name.

(2) To have a corporate seal, which may be altered at pleasure, and to use the same by causing it or a facsimile thereof to be impressed or affixed or in any manner reproduced, provided that the affixing of a corporate seal to an instrument shall not give the instrument additional force or effect, or change the construction thereof, and the use of a corporate seal is not mandatory.

(3) To make, alter, amend, and repeal bylaws, not inconsistent with its charter or with law, for the administration of the affairs of the bank. If this Act does
not provide specific guidance in matters of corporate
governance, the provisions of the Business Corporation Act
of 1983 may be used if so provided in the bylaws, and if
the bank is a limited liability company, the provisions of
the Limited Liability Company Act shall be used.

(4) To elect or appoint and remove officers and agents
of the bank and define their duties and fix their
compensation.

(5) To adopt and operate reasonable bonus plans,
profit-sharing plans, stock-bonus plans, stock-option
plans, pension plans and similar incentive plans for its
directors, officers and employees.

(5.1) To manage, operate and administer a fund for the
investment of funds by a public agency or agencies,
including any unit of local government or school district,
or any person. The fund for a public agency shall invest in
the same type of investments and be subject to the same
limitations provided for the investment of public funds.
The fund for public agencies shall maintain a separate
ledger showing the amount of investment for each public
agency in the fund. "Public funds" and "public agency" as
used in this Section shall have the meanings ascribed to
them in Section 1 of the Public Funds Investment Act.

(6) To make reasonable donations for the public welfare
or for charitable, scientific, religious or educational
purposes.
(7) To borrow or incur an obligation; and to pledge its assets:

(a) to secure its borrowings, its lease of personal or real property or its other nondeposit obligations;
(b) to enable it to act as agent for the sale of obligations of the United States;
(c) to secure deposits of public money of the United States, whenever required by the laws of the United States, including without being limited to, revenues and funds the deposit of which is subject to the control or regulation of the United States or any of its officers, agents, or employees and Postal Savings funds;
(d) to secure deposits of public money of any state or of any political corporation or subdivision thereof including, without being limited to, revenues and funds the deposit of which is subject to the control or regulation of any state or of any political corporation or subdivisions thereof or of any of their officers, agents, or employees;
(e) to secure deposits of money whenever required by the National Bankruptcy Act;
(f) (blank); and
(g) to secure trust funds commingled with the bank's funds, whether deposited by the bank or an affiliate of the bank, pursuant to Section 2-8 of the
Corporate Fiduciary Act.

(8) To own, possess, and carry as assets all or part of the real estate necessary in or with which to do its banking business, either directly or indirectly through the ownership of all or part of the capital stock, shares or interests in any corporation, association, trust engaged in holding any part or parts or all of the bank premises, engaged in such business and in conducting a safe deposit business in the premises or part of them, or engaged in any activity that the bank is permitted to conduct in a subsidiary pursuant to paragraph (12) of this Section 5.

(9) To own, possess, and carry as assets other real estate to which it may obtain title in the collection of its debts or that was formerly used as a part of the bank premises, but title to any real estate except as herein permitted shall not be retained by the bank, either directly or by or through a subsidiary, as permitted by subsection (12) of this Section for a total period of more than 10 years after acquiring title, either directly or indirectly.

(10) To do any act, including the acquisition of stock, necessary to obtain insurance of its deposits, or part thereof, and any act necessary to obtain a guaranty, in whole or in part, of any of its loans or investments by the United States or any agency thereof, and any act necessary
to sell or otherwise dispose of any of its loans or investments to the United States or any agency thereof, and to acquire and hold membership in the Federal Reserve System.

(11) Notwithstanding any other provisions of this Act or any other law, to do any act and to own, possess, and carry as assets property of the character, including stock, that is at the time authorized or permitted to national banks by an Act of Congress, but subject always to the same limitations and restrictions as are applicable to national banks by the pertinent federal law and subject to applicable provisions of the Financial Institutions Insurance Sales Law.

(12) To own, possess, and carry as assets stock of one or more corporations that is, or are, engaged in one or more of the following businesses:

(a) holding title to and administering assets acquired as a result of the collection or liquidating of loans, investments, or discounts; or

(b) holding title to and administering personal property acquired by the bank, directly or indirectly through a subsidiary, for the purpose of leasing to others, provided the lease or leases and the investment of the bank, directly or through a subsidiary, in that personal property otherwise comply with Section 35.1 of this Act; or
(c) carrying on or administering any of the activities excepting the receipt of deposits or the payment of checks or other orders for the payment of money in which a bank may engage in carrying on its general banking business; provided, however, that nothing contained in this paragraph (c) shall be deemed to permit a bank organized under this Act or subject hereto to do, either directly or indirectly through any subsidiary, any act, including the making of any loan or investment, or to own, possess, or carry as assets any property that if done by or owned, possessed, or carried by the State bank would be in violation of or prohibited by any provision of this Act.

The provisions of this subsection (12) shall not apply to and shall not be deemed to limit the powers of a State bank with respect to the ownership, possession, and carrying of stock that a State bank is permitted to own, possess, or carry under this Act.

Any bank intending to establish a subsidiary under this subsection (12) shall give written notice to the Commissioner 60 days prior to the subsidiary's commencing of business or, as the case may be, prior to acquiring stock in a corporation that has already commenced business. After receiving the notice, the Commissioner may waive or reduce the balance of the 60 day notice period. The Commissioner may specify the form of the notice, may
designate the types of subsidiaries not subject to this notice requirement, and may promulgate rules and regulations to administer this subsection (12).

(13) To accept for payment at a future date not exceeding one year from the date of acceptance, drafts drawn upon it by its customers; and to issue, advise, or confirm letters of credit authorizing the holders thereof to draw drafts upon it or its correspondents.

(14) To own and lease personal property acquired by the bank at the request of a prospective lessee and upon the agreement of that person to lease the personal property provided that the lease, the agreement with respect thereto, and the amount of the investment of the bank in the property comply with Section 35.1 of this Act.

(15)(a) To establish and maintain, in addition to the main banking premises, branches offering any banking services permitted at the main banking premises of a State bank.

(b) To establish and maintain, after May 31, 1997, branches in another state that may conduct any activity in that state that is authorized or permitted for any bank that has a banking charter issued by that state, subject to the same limitations and restrictions that are applicable to banks chartered by that state.

(16) (Blank).

(17) To establish and maintain terminals, as
authorized by the Electronic Fund Transfer Act.

(18) To establish and maintain temporary service
booths at any International Fair held in this State which
is approved by the United States Department of Commerce,
for the duration of the international fair for the sole
purpose of providing a convenient place for foreign trade
customers at the fair to exchange their home countries'
currency into United States currency or the converse. This
power shall not be construed as establishing a new place or
change of location for the bank providing the service
booth.

(19) To indemnify its officers, directors, employees,
and agents, as authorized for corporations under Section

(20) To own, possess, and carry as assets stock of, or
be or become a member of, any corporation, mutual company,
association, trust, or other entity formed exclusively for
the purpose of providing directors' and officers'
liability and bankers' blanket bond insurance or
reinsurance to and for the benefit of the stockholders,
members, or beneficiaries, or their assets or businesses,
or their officers, directors, employees, or agents, and not
to or for the benefit of any other person or entity or the
public generally.

(21) To make debt or equity investments in corporations
or projects, whether for profit or not for profit, designed
to promote the development of the community and its welfare, provided that the aggregate investment in all of these corporations and in all of these projects does not exceed 10% of the unimpaired capital and unimpaired surplus of the bank and provided that this limitation shall not apply to creditworthy loans by the bank to those corporations or projects. Upon written application to the Commissioner, a bank may make an investment that would, when aggregated with all other such investments, exceed 10% of the unimpaired capital and unimpaired surplus of the bank. The Commissioner may approve the investment if he is of the opinion and finds that the proposed investment will not have a material adverse effect on the safety and soundness of the bank.

(22) To own, possess, and carry as assets the stock of a corporation engaged in the ownership or operation of a travel agency or to operate a travel agency as a part of its business.

(23) With respect to affiliate facilities:

(a) to conduct at affiliate facilities for and on behalf of another commonly owned bank, if so authorized by the other bank, all transactions that the other bank is authorized or permitted to perform; and

(b) to authorize a commonly owned bank to conduct for and on behalf of it any of the transactions it is authorized or permitted to perform at one or more
affiliate facilities.

Any bank intending to conduct or to authorize a commonly owned bank to conduct at an affiliate facility any of the transactions specified in this paragraph (23) shall give written notice to the Commissioner at least 30 days before any such transaction is conducted at the affiliate facility.

(24) To act as the agent for any fire, life, or other insurance company authorized by the State of Illinois, by soliciting and selling insurance and collecting premiums on policies issued by such company; and to receive for services so rendered such fees or commissions as may be agreed upon between the bank and the insurance company for which it may act as agent; provided, however, that no such bank shall in any case assume or guarantee the payment of any premium on insurance policies issued through its agency by its principal; and provided further, that the bank shall not guarantee the truth of any statement made by an assured in filing his application for insurance.

(25) Notwithstanding any other provisions of this Act or any other law, to offer any product or service that is at the time authorized or permitted to any insured savings association or out-of-state bank by applicable law, provided that powers conferred only by this subsection (25):

(a) shall always be subject to the same limitations
and restrictions that are applicable to the insured savings association or out-of-state bank for the product or service by such applicable law;

(b) shall be subject to applicable provisions of the Financial Institutions Insurance Sales Law;

(c) shall not include the right to own or conduct a real estate brokerage business for which a license would be required under the laws of this State; and

(d) shall not be construed to include the establishment or maintenance of a branch, nor shall they be construed to limit the establishment or maintenance of a branch pursuant to subsection (11).

Not less than 30 days before engaging in any activity under the authority of this subsection, a bank shall provide written notice to the Commissioner of its intent to engage in the activity. The notice shall indicate the specific federal or state law, rule, regulation, or interpretation the bank intends to use as authority to engage in the activity.

(26) Nothing in this Section shall be construed to require the filing of a notice or application for approval with the United States Office of the Comptroller of the Currency or a bank supervisor of another state as a condition to the right of a State bank to exercise any of the powers conferred by this Section in this State.

(27) To refuse any transaction if any employee or
officer of the bank, having fulfilled the training
requirements of subsection (g-1) of Section 3.5 of the
Adult Protective Services Act, reasonably believes that an
act of financial exploitation of an eligible adult has
occurred or may occur. Neither the bank nor its employees
or officers shall be liable for any actions taken in good
faith under this subsection (27).

(Source: P.A. 98-44, eff. 6-28-13; 99-362, eff. 8-13-15.)

Section 10. The Savings Bank Act is amended by changing
Section 1008 as follows:

(205 ILCS 205/1008) (from Ch. 17, par. 7301-8)
Sec. 1008. General corporate powers.
(a) A savings bank operating under this Act shall be a body
corporate and politic and shall have all of the powers
conferred by this Act including, but not limited to, the
following powers:

(1) To sue and be sued, complain, and defend in its
corporate name and to have a common seal, which it may
alter or renew at pleasure.

(2) To obtain and maintain insurance by a deposit
insurance corporation as defined in this Act.

(3) To act as a fiscal agent for the United States, the
State of Illinois or any department, branch, arm, or agency
of the State or any unit of local government or school
district in the State, when duly designated for that purpose, and as agent to perform reasonable functions as may be required of it.

(4) To become a member of or deal with any corporation or agency of the United States or the State of Illinois, to the extent that the agency assists in furthering or facilitating its purposes or powers and to that end to purchase stock or securities thereof or deposit money therewith, and to comply with any other conditions of membership or credit.

(5) To make donations in reasonable amounts for the public welfare or for charitable, scientific, religious, or educational purposes.

(6) To adopt and operate reasonable insurance, bonus, profit sharing, and retirement plans for officers and employees and for directors including, but not limited to, advisory, honorary, and emeritus directors, who are not officers or employees.

(7) To reject any application for membership; to retire deposit accounts by enforced retirement as provided in this Act and the bylaws; and to limit the issuance of, or payments on, deposit accounts, subject, however, to contractual obligations.

(8) To purchase stock or membership interests in service corporations and to invest in any form of indebtedness of any service corporation as defined in this
Act, subject to regulations of the Secretary.

(9) To purchase stock of a corporation whose principal purpose is to operate a safe deposit company or escrow service company.

(10) To exercise all the powers necessary to qualify as a trustee or custodian under federal or State law, provided that the authority to accept and execute trusts is subject to the provisions of the Corporate Fiduciary Act and to the supervision of those activities by the Secretary.

(11) (Blank).

(12) To establish, maintain, and operate terminals as authorized by the Electronic Fund Transfer Act.

(13) To pledge its assets:

(A) to enable it to act as agent for the sale of obligations of the United States;

(B) to secure deposits;

(C) to secure deposits of money whenever required by the National Bankruptcy Act;

(D) (blank); and

(E) to secure trust funds commingled with the savings bank's funds, whether deposited by the savings bank or an affiliate of the savings bank, as required under Section 2-8 of the Corporate Fiduciary Act.

(14) To accept for payment at a future date not to exceed one year from the date of acceptance, drafts drawn upon it by its customers; and to issue, advise, or confirm
letters of credit authorizing holders thereof to draw
drafts upon it or its correspondents.

(15) Subject to the regulations of the Secretary, to
own and lease personal property acquired by the savings
bank at the request of a prospective lessee and, upon the
agreement of that person, to lease the personal property.

(16) To establish temporary service booths at any
International Fair in this State that is approved by the
United States Department of Commerce for the duration of
the international fair for the purpose of providing a
convenient place for foreign trade customers to exchange
their home countries' currency into United States currency
or the converse. To provide temporary periodic service to
persons residing in a bona fide nursing home, senior
citizens' retirement home, or long-term care facility.
These powers shall not be construed as establishing a new
place or change of location for the savings bank providing
the service booth.

(17) To indemnify its officers, directors, employees,
and agents, as authorized for corporations under Section

(18) To provide data processing services to others on a
for-profit basis.

(19) To utilize any electronic technology to provide
customers with home banking services.

(20) Subject to the regulations of the Secretary, to
enter into an agreement to act as a surety.

(21) Subject to the regulations of the Secretary, to issue credit cards, extend credit therewith, and otherwise engage in or participate in credit card operations.

(22) To purchase for its own account shares of stock of a bankers' bank, described in Section 13(b)(1) of the Illinois Banking Act, on the same terms and conditions as a bank may purchase such shares. In no event shall the total amount of such stock held by a savings bank in such bankers' bank exceed 10% of its capital and surplus (including undivided profits) and in no event shall a savings bank acquire more than 5% of any class of voting securities of such bankers' bank.

(23) With respect to affiliate facilities:

(A) to conduct at affiliate facilities any of the following transactions for and on behalf of any affiliated depository institution, if so authorized by the affiliate or affiliates: receiving deposits; renewing deposits; cashing and issuing checks, drafts, money orders, travelers checks, or similar instruments; changing money; receiving payments on existing indebtedness; and conducting ministerial functions with respect to loan applications, servicing loans, and providing loan account information; and

(B) to authorize an affiliated depository institution to conduct for and on behalf of it, any of
the transactions listed in this subsection at one or more affiliate facilities.

A savings bank intending to conduct or to authorize an affiliated depository institution to conduct at an affiliate facility any of the transactions specified in this subsection shall give written notice to the Secretary at least 30 days before any such transaction is conducted at an affiliate facility. All conduct under this subsection shall be on terms consistent with safe and sound banking practices and applicable law.

(24) Subject to Article XLIV of the Illinois Insurance Code, to act as the agent for any fire, life, or other insurance company authorized by the State of Illinois, by soliciting and selling insurance and collecting premiums on policies issued by such company; and may receive for services so rendered such fees or commissions as may be agreed upon between the said savings bank and the insurance company for which it may act as agent; provided, however, that no such savings bank shall in any case assume or guarantee the payment of any premium on insurance policies issued through its agency by its principal; and provided further, that the savings bank shall not guarantee the truth of any statement made by an assured in filing his application for insurance.

(25) To become a member of the Federal Home Loan Bank and to have the powers granted to a savings association
organized under the Illinois Savings and Loan Act of 1985 or the laws of the United States, subject to regulations of the Secretary.

(26) To offer any product or service that is at the time authorized or permitted to a bank by applicable law, but subject always to the same limitations and restrictions that are applicable to the bank for the product or service by such applicable law and subject to the applicable provisions of the Financial Institutions Insurance Sales Law and rules of the Secretary.

(27) To refuse any transaction if any employee or officer of the savings bank, having fulfilled the training requirements of subsection (g-1) of Section 3.5 of the Adult Protective Services Act, reasonably believes that an act of financial exploitation of an eligible adult has occurred or may occur. Neither the savings bank nor its employees or officers shall be liable for any actions taken in good faith under this subsection (27).

(b) If this Act or the regulations adopted under this Act fail to provide specific guidance in matters of corporate governance, the provisions of the Business Corporation Act of 1983 may be used, or if the savings bank is a limited liability company, the provisions of the Limited Liability Company shall be used.

(c) A savings bank may be organized as a limited liability company, may convert to a limited liability company, or may
merge with and into a limited liability company, under the
applicable laws of this State and of the United States,
including any rules promulgated thereunder. A savings bank
organized as a limited liability company shall be subject to
the provisions of the Limited Liability Company Act in addition
to this Act, provided that if a provision of the Limited
Liability Company Act conflicts with a provision of this Act or
with any rule of the Secretary, the provision of this Act or
the rule of the Secretary shall apply.

Any filing required to be made under the Limited Liability
Company Act shall be made exclusively with the Secretary, and
the Secretary shall possess the exclusive authority to regulate
the savings bank as provided in this Act.

Any organization as, conversion to, and merger with or into
a limited liability company shall be subject to the prior
approval of the Secretary.

A savings bank that is a limited liability company shall be
subject to all of the provisions of this Act in the same manner
as a savings bank that is organized in stock form.

The Secretary may promulgate rules to ensure that a savings
bank that is a limited liability company (i) is operating in a
safe and sound manner and (ii) is subject to the Secretary's
authority in the same manner as a savings bank that is
organized in stock form.

(Source: P.A. 97-492, eff. 1-1-12.)
Section 15. The Illinois Credit Union Act is amended by changing Section 13 as follows:

(205 ILCS 305/13) (from Ch. 17, par. 4414)

Sec. 13. General powers. A credit union may:

(1) Make contracts; sue and be sued; and adopt and use a common seal and alter the same;

(2) Acquire, lease (either as lessee or lessor), hold, pledge, mortgage, sell and dispose of real property, either in whole or in part, or any interest therein, as may be necessary or incidental to its present or future operations and needs, subject to such limitations as may be imposed thereon in rules and regulations promulgated by the Secretary; acquire, lease (either as lessee or lessor), hold, pledge, mortgage, sell and dispose of personal property, either in whole or in part, or any interest therein, as may be necessary or incidental to its present or future operations and needs;

(3) At the discretion of the board of directors, require the payment of an entrance fee or annual membership fee, or both, of any person admitted to membership;

(4) Receive savings from its members in the form of shares of various classes, or special purpose share accounts; act as custodian of its members' accounts; issue shares in trust as provided in this Act;

(5) Lend its funds to its members and otherwise as
hereinafter provided;

(6) Borrow from any source in accordance with policy established by the board of directors to a maximum of 50% of capital, surplus and reserves;

(7) Discount and sell any obligations owed to the credit union;

(8) Honor requests for withdrawals or transfers of all or any part of member share accounts, and any classes thereof, in any manner approved by the credit union board of directors;

(9) Sell all or a part of its assets or purchase all or a part of the assets of another credit union and assume the liabilities of the selling credit union, subject to the prior approval of the Director, which approval shall not be required in the case of loan transactions otherwise authorized under applicable law;

(10) Invest surplus funds as provided in this Act;

(11) Make deposits in banks, savings banks, savings and loan associations, trust companies; and invest in shares, classes of shares or share certificates of other credit unions;

(12) Assess charges and fees to members in accordance with board resolution;

(13) Hold membership in and pay dues to associations and organizations; to invest in shares, stocks or obligations of any credit union organization;
Declare dividends and pay interest refunds to borrowers as provided in this Act;

Collect, receive and disburse monies in connection with providing negotiable checks, money orders and other money-type instruments, and for such other purposes as may provide benefit or convenience to its members, and charge a reasonable fee for such services;

Act as fiscal agent for and receive deposits from the federal government, this state or any agency or political subdivision thereof;

Receive savings from nonmembers in the form of shares or share accounts in the case of credit unions serving predominantly low-income members. The term "low income members" shall mean those members who make less than 80% of the average for all wage earners as established by the Bureau of Labor Statistics or those members whose annual household income falls at or below 80% of the median household income for the nation as established by the Census Bureau. The term "predominantly" is defined as a simple majority;

Establish, maintain, and operate terminals as authorized by the Electronic Fund Transfer Act;

Subject to Article XLIV of the Illinois Insurance Code, act as the agent for any fire, life, or other insurance company authorized by the State of Illinois, by soliciting and selling insurance and collecting premiums
on policies issued by such company; and may receive for
services so rendered such fees or commissions as may be
agreed upon between the said credit union and the insurance
company for which it may act as agent; provided, however,
that no such credit union shall in any case assume or
guarantee the payment of any premium on insurance policies
issued through its agency by its principal; and provided
further, that the credit union shall not guarantee the
truth of any statement made by an assured in filing his
application for insurance; and

(20) Make reasonable contributions to civic,
charitable, or service organizations not organized for
profit; religious corporations; and fundraisers benefiting
persons in the credit union's service area.

(21) To refuse any transaction if any employee or
officer of the credit union, having fulfilled the training
requirements of subsection (g-1) of Section 3.5 of the
Adult Protective Services Act, reasonably believes that an
act of financial exploitation of an eligible adult has
occurred or may occur. Neither the credit union nor its
employees or officers shall be liable for any actions taken
in good faith under this subsection (21).

(Source: P.A. 97-133, eff. 1-1-12.)

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