



98TH GENERAL ASSEMBLY

State of Illinois

2013 and 2014

HB5685

by Rep. Maria Antonia Berrios

SYNOPSIS AS INTRODUCED:

See Index

Repeals the Illinois Savings and Loan Act of 1985. Amends the Savings Bank Act. Deletes the definition of "impairment" and related provisions and defines "out-of-state savings bank". Adds provisions regarding the deposit of moneys into the Savings Bank Regulatory Fund. Adds an Article concerning the effect of the repeal of the Illinois Savings and Loan Act of 1985 and an Article that establishes the Board of Savings Banks and creates provisions concerning appointment to the Board, the organization of the Board, meetings of the Board, and the powers of the Board. Amends the Corporate Fiduciary Act. Provides that the Secretary of Financial and Professional Regulation or any person appointed as a receiver shall have all the powers, rights, and privileges as the Federal Deposit Insurance Corporation. Amends the State Finance Act. Changes the name of the Savings and Residential Finance Regulatory Fund to the Residential Finance Regulatory Fund and changes the name of the Savings Bank Institutions Regulatory Fund to the Savings Bank Regulatory Fund. Amends the Illinois Banking Act. Provides that the Secretary of Financial and Professional Regulation or any person appointed as a receiver shall have all the powers, rights, and privileges as the Federal Deposit Insurance Corporation. Amends the Residential Mortgage License Act of 1987. Deletes provisions concerning the Commissioner of Banks and Real Estate. Makes other changes.

LRB098 17498 ZMM 52607 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

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 5.214, 5.805, and 8.12 as follows:

6 (30 ILCS 105/5.214) (from Ch. 127, par. 141.214)

7 Sec. 5.214. The ~~Savings and~~ Residential Finance Regulatory
8 Fund.

9 (Source: P.A. 85-1209; 86-1213.)

10 (30 ILCS 105/5.805)

11 Sec. 5.805. The Savings Bank ~~Institutions~~ Regulatory Fund.

12 (Source: P.A. 97-492, eff. 1-1-12; 97-813, eff. 7-13-12.)

13 (30 ILCS 105/8.12) (from Ch. 127, par. 144.12)

14 Sec. 8.12. State Pensions Fund.

15 (a) The moneys in the State Pensions Fund shall be used
16 exclusively for the administration of the Uniform Disposition
17 of Unclaimed Property Act and for the expenses incurred by the
18 Auditor General for administering the provisions of Section
19 2-8.1 of the Illinois State Auditing Act and for the funding of
20 the unfunded liabilities of the designated retirement systems.
21 Beginning in State fiscal year 2015, payments to the designated

1 retirement systems under this Section shall be in addition to,
2 and not in lieu of, any State contributions required under the
3 Illinois Pension Code.

4 "Designated retirement systems" means:

5 (1) the State Employees' Retirement System of
6 Illinois;

7 (2) the Teachers' Retirement System of the State of
8 Illinois;

9 (3) the State Universities Retirement System;

10 (4) the Judges Retirement System of Illinois; and

11 (5) the General Assembly Retirement System.

12 (b) Each year the General Assembly may make appropriations
13 from the State Pensions Fund for the administration of the
14 Uniform Disposition of Unclaimed Property Act.

15 Each month, the Commissioner of the Office of Banks and
16 Real Estate shall certify to the State Treasurer the actual
17 expenditures that the Office of Banks and Real Estate incurred
18 conducting unclaimed property examinations under the Uniform
19 Disposition of Unclaimed Property Act during the immediately
20 preceding month. Within a reasonable time following the
21 acceptance of such certification by the State Treasurer, the
22 State Treasurer shall pay from its appropriation from the State
23 Pensions Fund to the Bank and Trust Company Fund, the Savings
24 Bank Regulatory Fund, and the ~~Savings and~~ Residential Finance
25 Regulatory Fund an amount equal to the expenditures incurred by
26 each Fund for that month.

1 Each month, the Director of Financial Institutions shall
2 certify to the State Treasurer the actual expenditures that the
3 Department of Financial Institutions incurred conducting
4 unclaimed property examinations under the Uniform Disposition
5 of Unclaimed Property Act during the immediately preceding
6 month. Within a reasonable time following the acceptance of
7 such certification by the State Treasurer, the State Treasurer
8 shall pay from its appropriation from the State Pensions Fund
9 to the Financial Institution Fund and the Credit Union Fund an
10 amount equal to the expenditures incurred by each Fund for that
11 month.

12 (c) As soon as possible after the effective date of this
13 amendatory Act of the 93rd General Assembly, the General
14 Assembly shall appropriate from the State Pensions Fund (1) to
15 the State Universities Retirement System the amount certified
16 under Section 15-165 during the prior year, (2) to the Judges
17 Retirement System of Illinois the amount certified under
18 Section 18-140 during the prior year, and (3) to the General
19 Assembly Retirement System the amount certified under Section
20 2-134 during the prior year as part of the required State
21 contributions to each of those designated retirement systems;
22 except that amounts appropriated under this subsection (c) in
23 State fiscal year 2005 shall not reduce the amount in the State
24 Pensions Fund below \$5,000,000. If the amount in the State
25 Pensions Fund does not exceed the sum of the amounts certified
26 in Sections 15-165, 18-140, and 2-134 by at least \$5,000,000,

1 the amount paid to each designated retirement system under this
2 subsection shall be reduced in proportion to the amount
3 certified by each of those designated retirement systems.

4 (c-5) For fiscal years 2006 through 2014, the General
5 Assembly shall appropriate from the State Pensions Fund to the
6 State Universities Retirement System the amount estimated to be
7 available during the fiscal year in the State Pensions Fund;
8 provided, however, that the amounts appropriated under this
9 subsection (c-5) shall not reduce the amount in the State
10 Pensions Fund below \$5,000,000.

11 (c-6) For fiscal year 2015 and each fiscal year thereafter,
12 as soon as may be practical after any money is deposited into
13 the State Pensions Fund from the Unclaimed Property Trust Fund,
14 the State Treasurer shall apportion the deposited amount among
15 the designated retirement systems as defined in subsection (a)
16 to reduce their actuarial reserve deficiencies. The State
17 Comptroller and State Treasurer shall pay the apportioned
18 amounts to the designated retirement systems to fund the
19 unfunded liabilities of the designated retirement systems. The
20 amount apportioned to each designated retirement system shall
21 constitute a portion of the amount estimated to be available
22 for appropriation from the State Pensions Fund that is the same
23 as that retirement system's portion of the total actual reserve
24 deficiency of the systems, as determined annually by the
25 Governor's Office of Management and Budget at the request of
26 the State Treasurer. The amounts apportioned under this

1 subsection shall not reduce the amount in the State Pensions
2 Fund below \$5,000,000.

3 (d) The Governor's Office of Management and Budget shall
4 determine the individual and total reserve deficiencies of the
5 designated retirement systems. For this purpose, the
6 Governor's Office of Management and Budget shall utilize the
7 latest available audit and actuarial reports of each of the
8 retirement systems and the relevant reports and statistics of
9 the Public Employee Pension Fund Division of the Department of
10 Insurance.

11 (d-1) As soon as practicable after the effective date of
12 this amendatory Act of the 93rd General Assembly, the
13 Comptroller shall direct and the Treasurer shall transfer from
14 the State Pensions Fund to the General Revenue Fund, as funds
15 become available, a sum equal to the amounts that would have
16 been paid from the State Pensions Fund to the Teachers'
17 Retirement System of the State of Illinois, the State
18 Universities Retirement System, the Judges Retirement System
19 of Illinois, the General Assembly Retirement System, and the
20 State Employees' Retirement System of Illinois after the
21 effective date of this amendatory Act during the remainder of
22 fiscal year 2004 to the designated retirement systems from the
23 appropriations provided for in this Section if the transfers
24 provided in Section 6z-61 had not occurred. The transfers
25 described in this subsection (d-1) are to partially repay the
26 General Revenue Fund for the costs associated with the bonds

1 used to fund the moneys transferred to the designated
2 retirement systems under Section 6z-61.

3 (e) The changes to this Section made by this amendatory Act
4 of 1994 shall first apply to distributions from the Fund for
5 State fiscal year 1996.

6 (Source: P.A. 97-72, eff. 7-1-11; 97-732, eff. 6-30-12; 98-24,
7 eff. 6-19-13; 98-463, eff. 8-16-13.)

8 Section 10. The Illinois Banking Act is amended by changing
9 Section 48 as follows:

10 (205 ILCS 5/48)

11 Sec. 48. Secretary's powers; duties. The Secretary shall
12 have the powers and authority, and is charged with the duties
13 and responsibilities designated in this Act, and a State bank
14 shall not be subject to any other visitorial power other than
15 as authorized by this Act, except those vested in the courts,
16 or upon prior consultation with the Secretary, a foreign bank
17 regulator with an appropriate supervisory interest in the
18 parent or affiliate of a state bank. In the performance of the
19 Secretary's duties:

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

23 (2) (a) The Commissioner, as often as the Commissioner
24 shall deem necessary or proper, and no less frequently than 18

1 months following the preceding examination, shall appoint a
2 suitable person or persons to make an examination of the
3 affairs of every State bank, except that for every eligible
4 State bank, as defined by regulation, the Commissioner in lieu
5 of the examination may accept on an alternating basis the
6 examination made by the eligible State bank's appropriate
7 federal banking agency pursuant to Section 111 of the Federal
8 Deposit Insurance Corporation Improvement Act of 1991,
9 provided the appropriate federal banking agency has made such
10 an examination. A person so appointed shall not be a
11 stockholder or officer or employee of any bank which that
12 person may be directed to examine, and shall have powers to
13 make a thorough examination into all the affairs of the bank
14 and in so doing to examine any of the officers or agents or
15 employees thereof on oath and shall make a full and detailed
16 report of the condition of the bank to the Commissioner. In
17 making the examination the examiners shall include an
18 examination of the affairs of all the affiliates of the bank,
19 as defined in subsection (b) of Section 35.2 of this Act, or
20 subsidiaries of the bank as shall be necessary to disclose
21 fully the conditions of the subsidiaries or affiliates, the
22 relations between the bank and the subsidiaries or affiliates
23 and the effect of those relations upon the affairs of the bank,
24 and in connection therewith shall have power to examine any of
25 the officers, directors, agents, or employees of the
26 subsidiaries or affiliates on oath. After May 31, 1997, the

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

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

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

24 (a) that performance shall be subject to examination by
25 the Commissioner to the same extent as if services were
26 being performed by the bank or, after May 31, 1997, branch

1 of the out-of-state bank itself on its own premises; and

2 (b) the bank or, after May 31, 1997, branch of the
3 out-of-state bank shall notify the Commissioner of the
4 existence of a service relationship. The notification
5 shall be submitted with the first statement of condition
6 (as required by Section 47 of this Act) due after the
7 making of the service contract or the performance of the
8 service, whichever occurs first. The Commissioner shall be
9 notified of each subsequent contract in the same manner.

10 For purposes of this subsection (2.5), the term "bank
11 services" means services such as sorting and posting of checks
12 and deposits, computation and posting of interest and other
13 credits and charges, preparation and mailing of checks,
14 statements, notices, and similar items, or any other clerical,
15 bookkeeping, accounting, statistical, or similar functions
16 performed for a State bank, including but not limited to
17 electronic data processing related to those bank services.

18 (3) The expense of administering this Act, including the
19 expense of the examinations of State banks as provided in this
20 Act, shall to the extent of the amounts resulting from the fees
21 provided for in paragraphs (a), (a-2), and (b) of this
22 subsection (3) be assessed against and borne by the State
23 banks:

24 (a) Each bank shall pay to the Secretary a Call Report
25 Fee which shall be paid in quarterly installments equal to
26 one-fourth of the sum of the annual fixed fee of \$800, plus

1 a variable fee based on the assets shown on the quarterly
2 statement of condition delivered to the Secretary in
3 accordance with Section 47 for the preceding quarter
4 according to the following schedule: 16¢ per \$1,000 of the
5 first \$5,000,000 of total assets, 15¢ per \$1,000 of the
6 next \$20,000,000 of total assets, 13¢ per \$1,000 of the
7 next \$75,000,000 of total assets, 9¢ per \$1,000 of the next
8 \$400,000,000 of total assets, 7¢ per \$1,000 of the next
9 \$500,000,000 of total assets, and 5¢ per \$1,000 of all
10 assets in excess of \$1,000,000,000, of the State bank. The
11 Call Report Fee shall be calculated by the Secretary and
12 billed to the banks for remittance at the time of the
13 quarterly statements of condition provided for in Section
14 47. The Secretary may require payment of the fees provided
15 in this Section by an electronic transfer of funds or an
16 automatic debit of an account of each of the State banks.
17 In case more than one examination of any bank is deemed by
18 the Secretary to be necessary in any examination frequency
19 cycle specified in subsection 2(a) of this Section, and is
20 performed at his direction, the Secretary may assess a
21 reasonable additional fee to recover the cost of the
22 additional examination; provided, however, that an
23 examination conducted at the request of the State Treasurer
24 pursuant to the Uniform Disposition of Unclaimed Property
25 Act shall not be deemed to be an additional examination
26 under this Section. In lieu of the method and amounts set

1 forth in this paragraph (a) for the calculation of the Call
2 Report Fee, the Secretary may specify by rule that the Call
3 Report Fees provided by this Section may be assessed
4 semiannually or some other period and may provide in the
5 rule the formula to be used for calculating and assessing
6 the periodic Call Report Fees to be paid by State banks.

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

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

1 (a-3) After May 31, 1997, the reasonable and necessary
2 expenses of the Commissioner during examination of the
3 performance of electronic data processing services under
4 subsection (2.5) at or on behalf of branches of
5 out-of-state banks shall be borne by the out-of-state
6 banks, unless those expenses are borne by the state
7 regulatory authorities that chartered the out-of-state
8 banks, as determined by cooperative agreements between the
9 Commissioner and the state regulatory authorities that
10 chartered the out-of-state banks.

11 (b) "Fiscal year" for purposes of this Section 48 is
12 defined as a period beginning July 1 of any year and ending
13 June 30 of the next year. The Commissioner shall receive
14 for each fiscal year, commencing with the fiscal year
15 ending June 30, 1987, a contingent fee equal to the lesser
16 of the aggregate of the fees paid by all State banks under
17 paragraph (a) of subsection (3) for that year, or the
18 amount, if any, whereby the aggregate of the administration
19 expenses, as defined in paragraph (c), for that fiscal year
20 exceeds the sum of the aggregate of the fees payable by all
21 State banks for that year under paragraph (a) of subsection
22 (3), plus any amounts transferred into the Bank and Trust
23 Company Fund from the State Pensions Fund for that year,
24 plus all other amounts collected by the Commissioner for
25 that year under any other provision of this Act, plus the
26 aggregate of all fees collected for that year by the

1 Commissioner under the Corporate Fiduciary Act, excluding
2 the receivership fees provided for in Section 5-10 of the
3 Corporate Fiduciary Act, and the Foreign Banking Office
4 Act. The aggregate amount of the contingent fee thus
5 arrived at for any fiscal year shall be apportioned
6 amongst, assessed upon, and paid by the State banks and
7 foreign banking corporations, respectively, in the same
8 proportion that the fee of each under paragraph (a) of
9 subsection (3), respectively, for that year bears to the
10 aggregate for that year of the fees collected under
11 paragraph (a) of subsection (3). The aggregate amount of
12 the contingent fee, and the portion thereof to be assessed
13 upon each State bank and foreign banking corporation,
14 respectively, shall be determined by the Commissioner and
15 shall be paid by each, respectively, within 120 days of the
16 close of the period for which the contingent fee is
17 computed and is payable, and the Commissioner shall give 20
18 days advance notice of the amount of the contingent fee
19 payable by the State bank and of the date fixed by the
20 Commissioner for payment of the fee.

21 (c) The "administration expenses" for any fiscal year
22 shall mean the ordinary and contingent expenses for that
23 year incident to making the examinations provided for by,
24 and for otherwise administering, this Act, the Corporate
25 Fiduciary Act, excluding the expenses paid from the
26 Corporate Fiduciary Receivership account in the Bank and

1 Trust Company Fund, the Foreign Banking Office Act, the
2 Electronic Fund Transfer Act, and the Illinois Bank
3 Examiners' Education Foundation Act, including all
4 salaries and other compensation paid for personal services
5 rendered for the State by officers or employees of the
6 State, including the Commissioner and the Deputy
7 Commissioners, communication equipment and services,
8 office furnishings, surety bond premiums, and travel
9 expenses of those officers and employees, employees,
10 expenditures or charges for the acquisition, enlargement
11 or improvement of, or for the use of, any office space,
12 building, or structure, or expenditures for the
13 maintenance thereof or for furnishing heat, light, or power
14 with respect thereto, all to the extent that those
15 expenditures are directly incidental to such examinations
16 or administration. The Commissioner shall not be required
17 by paragraphs (c) or (d-1) of this subsection (3) to
18 maintain in any fiscal year's budget appropriated reserves
19 for accrued vacation and accrued sick leave that is
20 required to be paid to employees of the Commissioner upon
21 termination of their service with the Commissioner in an
22 amount that is more than is reasonably anticipated to be
23 necessary for any anticipated turnover in employees,
24 whether due to normal attrition or due to layoffs,
25 terminations, or resignations.

26 (d) The aggregate of all fees collected by the

1 Secretary under this Act, the Corporate Fiduciary Act, or
2 the Foreign Banking Office Act on and after July 1, 1979,
3 shall be paid promptly after receipt of the same,
4 accompanied by a detailed statement thereof, into the State
5 treasury and shall be set apart in a special fund to be
6 known as the "Bank and Trust Company Fund", except as
7 provided in paragraph (c) of subsection (11) of this
8 Section. All earnings received from investments of funds in
9 the Bank and Trust Company Fund shall be deposited in the
10 Bank and Trust Company Fund and may be used for the same
11 purposes as fees deposited in that Fund. The amount from
12 time to time deposited into the Bank and Trust Company Fund
13 shall be used: (i) to offset the ordinary administrative
14 expenses of the Secretary as defined in this Section or
15 (ii) as a credit against fees under paragraph (d-1) of this
16 subsection (3). Nothing in this amendatory Act of 1979
17 shall prevent continuing the practice of paying expenses
18 involving salaries, retirement, social security, and
19 State-paid insurance premiums of State officers by
20 appropriations from the General Revenue Fund. However, the
21 General Revenue Fund shall be reimbursed for those payments
22 made on and after July 1, 1979, by an annual transfer of
23 funds from the Bank and Trust Company Fund. Moneys in the
24 Bank and Trust Company Fund may be transferred to the
25 Professions Indirect Cost Fund, as authorized under
26 Section 2105-300 of the Department of Professional

1 Regulation Law of the Civil Administrative Code of
2 Illinois.

3 Notwithstanding provisions in the State Finance Act,
4 as now or hereafter amended, or any other law to the
5 contrary, the sum of \$18,788,847 shall be transferred from
6 the Bank and Trust Company Fund to the Financial
7 Institutions Settlement of 2008 Fund on the effective date
8 of this amendatory Act of the 95th General Assembly, or as
9 soon thereafter as practical.

10 Notwithstanding provisions in the State Finance Act,
11 as now or hereafter amended, or any other law to the
12 contrary, the Governor may, during any fiscal year through
13 January 10, 2011, from time to time direct the State
14 Treasurer and Comptroller to transfer a specified sum not
15 exceeding 10% of the revenues to be deposited into the Bank
16 and Trust Company Fund during that fiscal year from that
17 Fund to the General Revenue Fund in order to help defray
18 the State's operating costs for the fiscal year.
19 Notwithstanding provisions in the State Finance Act, as now
20 or hereafter amended, or any other law to the contrary, the
21 total sum transferred during any fiscal year through
22 January 10, 2011, from the Bank and Trust Company Fund to
23 the General Revenue Fund pursuant to this provision shall
24 not exceed during any fiscal year 10% of the revenues to be
25 deposited into the Bank and Trust Company Fund during that
26 fiscal year. The State Treasurer and Comptroller shall

1 transfer the amounts designated under this Section as soon
2 as may be practicable after receiving the direction to
3 transfer from the Governor.

4 (d-1) Adequate funds shall be available in the Bank and
5 Trust Company Fund to permit the timely payment of
6 administration expenses. In each fiscal year the total
7 administration expenses shall be deducted from the total
8 fees collected by the Commissioner and the remainder
9 transferred into the Cash Flow Reserve Account, unless the
10 balance of the Cash Flow Reserve Account prior to the
11 transfer equals or exceeds one-fourth of the total initial
12 appropriations from the Bank and Trust Company Fund for the
13 subsequent year, in which case the remainder shall be
14 credited to State banks and foreign banking corporations
15 and applied against their fees for the subsequent year. The
16 amount credited to each State bank and foreign banking
17 corporation shall be in the same proportion as the Call
18 Report Fees paid by each for the year bear to the total
19 Call Report Fees collected for the year. If, after a
20 transfer to the Cash Flow Reserve Account is made or if no
21 remainder is available for transfer, the balance of the
22 Cash Flow Reserve Account is less than one-fourth of the
23 total initial appropriations for the subsequent year and
24 the amount transferred is less than 5% of the total Call
25 Report Fees for the year, additional amounts needed to make
26 the transfer equal to 5% of the total Call Report Fees for

1 the year shall be apportioned amongst, assessed upon, and
2 paid by the State banks and foreign banking corporations in
3 the same proportion that the Call Report Fees of each,
4 respectively, for the year bear to the total Call Report
5 Fees collected for the year. The additional amounts
6 assessed shall be transferred into the Cash Flow Reserve
7 Account. For purposes of this paragraph (d-1), the
8 calculation of the fees collected by the Commissioner shall
9 exclude the receivership fees provided for in Section 5-10
10 of the Corporate Fiduciary Act.

11 (e) The Commissioner may upon request certify to any
12 public record in his keeping and shall have authority to
13 levy a reasonable charge for issuing certifications of any
14 public record in his keeping.

15 (f) In addition to fees authorized elsewhere in this
16 Act, the Commissioner may, in connection with a review,
17 approval, or provision of a service, levy a reasonable
18 charge to recover the cost of the review, approval, or
19 service.

20 (4) Nothing contained in this Act shall be construed to
21 limit the obligation relative to examinations and reports of
22 any State bank, deposits in which are to any extent insured by
23 the United States or any agency thereof, nor to limit in any
24 way the powers of the Commissioner with reference to
25 examinations and reports of that bank.

26 (5) The nature and condition of the assets in or investment

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

18 (6) The Commissioner shall have the power:

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

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

26 (b) To issue orders against any person, if the

1 Commissioner has reasonable cause to believe that an unsafe
2 or unsound banking practice has occurred, is occurring, or
3 is about to occur, if any person has violated, is
4 violating, or is about to violate any law, rule, or written
5 agreement with the Commissioner, or for the purpose of
6 administering the provisions of this Act and any rule
7 promulgated in accordance with this Act.

8 (b-1) To enter into agreements with a bank establishing
9 a program to correct the condition of the bank or its
10 practices.

11 (c) To appoint hearing officers to execute any of the
12 powers granted to the Commissioner under this Section for
13 the purpose of administering this Act and any rule
14 promulgated in accordance with this Act and otherwise to
15 authorize, in writing, an officer or employee of the Office
16 of Banks and Real Estate to exercise his powers under this
17 Act.

18 (d) To subpoena witnesses, to compel their attendance,
19 to administer an oath, to examine any person under oath,
20 and to require the production of any relevant books,
21 papers, accounts, and documents in the course of and
22 pursuant to any investigation being conducted, or any
23 action being taken, by the Commissioner in respect of any
24 matter relating to the duties imposed upon, or the powers
25 vested in, the Commissioner under the provisions of this
26 Act or any rule promulgated in accordance with this Act.

1 (e) To conduct hearings.

2 (7) Whenever, in the opinion of the Secretary, any
3 director, officer, employee, or agent of a State bank or any
4 subsidiary or bank holding company of the bank or, after May
5 31, 1997, of any branch of an out-of-state bank or any
6 subsidiary or bank holding company of the bank shall have
7 violated any law, rule, or order relating to that bank or any
8 subsidiary or bank holding company of the bank, shall have
9 obstructed or impeded any examination or investigation by the
10 Secretary, shall have engaged in an unsafe or unsound practice
11 in conducting the business of that bank or any subsidiary or
12 bank holding company of the bank, or shall have violated any
13 law or engaged or participated in any unsafe or unsound
14 practice in connection with any financial institution or other
15 business entity such that the character and fitness of the
16 director, officer, employee, or agent does not assure
17 reasonable promise of safe and sound operation of the State
18 bank, the Secretary may issue an order of removal. If, in the
19 opinion of the Secretary, any former director, officer,
20 employee, or agent of a State bank or any subsidiary or bank
21 holding company of the bank, prior to the termination of his or
22 her service with that bank or any subsidiary or bank holding
23 company of the bank, violated any law, rule, or order relating
24 to that State bank or any subsidiary or bank holding company of
25 the bank, obstructed or impeded any examination or
26 investigation by the Secretary, engaged in an unsafe or unsound

1 practice in conducting the business of that bank or any
2 subsidiary or bank holding company of the bank, or violated any
3 law or engaged or participated in any unsafe or unsound
4 practice in connection with any financial institution or other
5 business entity such that the character and fitness of the
6 director, officer, employee, or agent would not have assured
7 reasonable promise of safe and sound operation of the State
8 bank, the Secretary may issue an order prohibiting that person
9 from further service with a bank or any subsidiary or bank
10 holding company of the bank as a director, officer, employee,
11 or agent. An order issued pursuant to this subsection shall be
12 served upon the director, officer, employee, or agent. A copy
13 of the order shall be sent to each director of the bank
14 affected by registered mail. A copy of the order shall also be
15 served upon the bank of which he is a director, officer,
16 employee, or agent, whereupon he shall cease to be a director,
17 officer, employee, or agent of that bank. The Secretary may
18 institute a civil action against the director, officer, or
19 agent of the State bank or, after May 31, 1997, of the branch
20 of the out-of-state bank against whom any order provided for by
21 this subsection (7) of this Section 48 has been issued, and
22 against the State bank or, after May 31, 1997, out-of-state
23 bank, to enforce compliance with or to enjoin any violation of
24 the terms of the order. Any person who has been the subject of
25 an order of removal or an order of prohibition issued by the
26 Secretary under this subsection or Section 5-6 of the Corporate

1 Fiduciary Act may not thereafter serve as director, officer,
2 employee, or agent of any State bank or of any branch of any
3 out-of-state bank, or of any corporate fiduciary, as defined in
4 Section 1-5.05 of the Corporate Fiduciary Act, or of any other
5 entity that is subject to licensure or regulation by the
6 Division of Banking unless the Secretary has granted prior
7 approval in writing.

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

11 (8) The Commissioner may impose civil penalties of up to
12 \$100,000 against any person for each violation of any provision
13 of this Act, any rule promulgated in accordance with this Act,
14 any order of the Commissioner, or any other action which in the
15 Commissioner's discretion is an unsafe or unsound banking
16 practice.

17 (9) The Commissioner may impose civil penalties of up to
18 \$100 against any person for the first failure to comply with
19 reporting requirements set forth in the report of examination
20 of the bank and up to \$200 for the second and subsequent
21 failures to comply with those reporting requirements.

22 (10) All final administrative decisions of the
23 Commissioner hereunder shall be subject to judicial review
24 pursuant to the provisions of the Administrative Review Law.
25 For matters involving administrative review, venue shall be in
26 either Sangamon County or Cook County.

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

3 (a) (Blank).

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

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

1 Education Foundation.

2 (12) (Blank).

3 (13) The Secretary may borrow funds from the General
4 Revenue Fund on behalf of the Bank and Trust Company Fund if
5 the Director of Banking certifies to the Governor that there is
6 an economic emergency affecting banking that requires a
7 borrowing to provide additional funds to the Bank and Trust
8 Company Fund. The borrowed funds shall be paid back within 3
9 years and shall not exceed the total funding appropriated to
10 the Agency in the previous year.

11 (14) The Secretary or any person appointed as receiver
12 shall have all of the powers, rights, and privileges as the
13 Federal Deposit Insurance Corporation when appointed as
14 receiver, which shall originate at the time of the appointment
15 and continue through the term of the receivership.

16 (Source: P.A. 96-1163, eff. 1-1-11; 96-1365, eff. 7-28-10;
17 97-333, eff. 8-12-11.)

18 (205 ILCS 105/Act rep.)

19 Section 15. The Illinois Savings and Loan Act of 1985 is
20 repealed.

21 Section 20. The Savings Bank Act is amended by changing
22 Sections 1007.130, 9002, 9002.5, and 9017 and by adding
23 Sections 1007.150 and 9002.1 and Articles 12.1 and 12.2 as
24 follows:

1 (205 ILCS 205/1007.130)

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

6 (Source: P.A. 93-965, eff. 8-20-04.)

7 (205 ILCS 205/1007.150 new)

8 Sec. 1007.150. Applicability of other Acts. Whenever the
9 term "savings and loan", "building and loan", "mutual building
10 loan and homestead", or "building loan and homestead" or other
11 similar name is used with reference to an association organized
12 for the purposes of associations incorporated under the
13 Illinois Savings and Loan Act of 1985 or a similar Act, such
14 reference shall be applicable to a savings bank operating under
15 this Act. Whenever in any Act the term "members",
16 "shareholders", or "investors" is used in connection with such
17 associations, however named, the same shall refer to members
18 and holders of capital of savings banks operating under this
19 Act.

20 (205 ILCS 205/9002) (from Ch. 17, par. 7309-2)

21 Sec. 9002. Powers of Secretary. The Secretary shall have
22 the following powers and duties:

23 (1) To exercise the rights, powers, and duties set

1 forth in this Act or in any related Act.

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

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

7 (4) To cause a suit to be filed in his name to enforce
8 any law of this State that applies to savings banks, their
9 service corporations, subsidiaries, affiliates, or holding
10 companies operating under this Act, including the
11 enforcement of any obligation of the officers, directors,
12 agents, or employees of any savings bank.

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

15 (6) To establish a reasonable fee structure for savings
16 banks and holding companies operating under this Act and
17 for their service corporations and subsidiaries. The fees
18 shall include, but not be limited to, annual fees,
19 application fees, regular and special examination fees,
20 and other fees as the Secretary establishes and
21 demonstrates to be directly resultant from the Secretary's
22 responsibilities under this Act and as are directly
23 attributable to individual entities operating under this
24 Act. The aggregate of all moneys collected by the Secretary
25 on and after the effective date of this Act shall be paid
26 promptly after receipt of the same, accompanied by a

1 detailed statement thereof, into the Savings Bank
2 Regulatory Fund established under Section 9002.1 of this
3 Act. ~~Savings and Residential Finance Regulatory Fund~~
4 ~~subject to the provisions of Section 7-19.1 of the Illinois~~
5 ~~Savings and Loan Act of 1985 including without limitation~~
6 ~~the provision for credits against regulatory fees. The~~
7 ~~amounts deposited into the Fund shall be used for the~~
8 ~~ordinary and contingent expenses of the Office of Banks and~~
9 ~~Real Estate. Notwithstanding any other provision of this~~
10 ~~paragraph (6), the aggregate of all moneys collected by the~~
11 ~~Secretary under this Act shall be paid promptly after~~
12 ~~receipt of same, accompanied by a detailed statement~~
13 ~~thereof, into the Savings Institutions Regulatory Fund~~
14 ~~upon the creation of that fund under Section 7-19.2 of the~~
15 ~~Illinois Savings and Loan Act of 1985, subject to the~~
16 ~~provisions of Section 7-19.2 of the Illinois Savings and~~
17 ~~Loan Act of 1985, including without limitation the~~
18 ~~provision for credits against regulatory fees. The amounts~~
19 ~~deposited into the Savings Institutions Regulatory Fund~~
20 ~~under this paragraph (6) shall be used for the ordinary and~~
21 ~~contingent expenses of administering and enforcing this~~
22 ~~Act.~~ Nothing in this Act shall prevent continuing the
23 practice of paying expenses involving salaries,
24 retirement, social security, and State-paid insurance of
25 State officers by appropriation from the General Revenue
26 Fund. The Secretary may require payment of the fees under

1 this Act by an electronic transfer of funds or an automatic
2 debit of an account of each of the savings banks.

3 The Secretary or any person appointed as receiver shall
4 have all of the powers, rights, and privileges as the Federal
5 Deposit Insurance Corporation when appointed as receiver,
6 which shall originate at the time of the appointment and
7 continue through the term of the receivership.

8 (Source: P.A. 96-1365, eff. 7-28-10; 97-492, eff. 1-1-12.)

9 (205 ILCS 205/9002.1 new)

10 Sec. 9002.1. Savings Bank Regulatory Fund.

11 (a) The aggregate of all moneys collected by the Secretary
12 under this Act shall be paid promptly after receipt of the
13 same, accompanied by a detailed statement thereof, into the
14 State treasury and shall be set apart in the Savings Bank
15 Regulatory Fund. All earnings received from investments of
16 funds in the Savings Bank Regulatory Fund shall be deposited
17 into the Savings Bank Regulatory Fund and may be used for the
18 same purposes as fees deposited into the Savings Bank
19 Regulatory Fund. The amount from time to time deposited into
20 the Fund shall be used (i) to offset the ordinary
21 administration expenses as defined in subsection (c) of this
22 Section or (ii) as a credit against fees under subsection (b)
23 of this Section. Nothing in this Section shall prevent
24 continuing the practice of paying expenses involving salaries,
25 retirement, Social Security, and State paid insurance premiums

1 of State officers by appropriation from the General Revenue
2 Fund. However, the General Revenue Fund shall be reimbursed for
3 those payments made by an annual transfer of funds from the
4 Savings Bank Regulatory Fund. Money in the Savings Bank
5 Regulatory Fund may be transferred to the Professions Indirect
6 Cost Fund as authorized under Section 2105-300 of the
7 Department of Professional Regulation Law of the Civil
8 Administrative Code of Illinois.

9 (b) Adequate funds shall be available in the Savings Bank
10 Regulatory Fund to permit the timely payment of administration
11 expenses. In each fiscal year, the total administration
12 expenses shall be deducted from the total fees collected by the
13 Secretary and the remainder transferred into the Cash Flow
14 Reserve Account, unless the balance of the Cash Flow Reserve
15 Account prior to the transfer equals or exceeds one-fourth of
16 the total initial appropriations from the Savings Bank
17 Regulatory Fund for the subsequent year, in which case the
18 remainder shall be credited to savings banks and applied
19 against their fees for the subsequent year. The amount credited
20 to each savings bank shall be in the same proportion as the
21 regulatory fees paid by each for the year bear to the total
22 regulatory fees collected for the year. If, after a transfer to
23 the Cash Flow Reserve Account is made or if no remainder is
24 available for transfer, the balance of the Cash Flow Reserve
25 Account is less than one-fourth of the total initial
26 appropriations for the subsequent year and the amount

1 transferred is less than 5% of the total regulatory fees for
2 the year, additional amounts needed to make the transfer equal
3 to 5% of the total regulatory fees for the year shall be
4 apportioned amongst, assessed upon, and paid by savings banks
5 in the same proportion that the regulatory fees of each,
6 respectively, for the year bear to the total regulatory fees
7 collected for the year. The additional amounts assessed shall
8 be transferred into the Cash Flow Reserve Account.

9 (c) For purposes of this Section, the following terms shall
10 have the following meanings:

11 "Administration expenses", for any fiscal year, means the
12 ordinary and contingent expenses for that year incident to
13 making the examinations provided for by, and for otherwise
14 administering, this Act, including all salaries and other
15 compensation paid for personal services rendered for the State
16 by officers or employees of the State, including the Secretary
17 and the Director of the Division, communication equipment and
18 services, office furnishings, surety bond premiums, and travel
19 expenses of those officers and employees, employees,
20 expenditures or charges for the acquisition, enlargement or
21 improvement of, or for the use of, any office space, building,
22 or structure, or expenditures for the maintenance thereof or
23 for furnishing heat, light, or power with respect thereto, all
24 to the extent that those expenditures are directly incidental
25 to such examinations or administration. The Secretary shall not
26 be required by this subsection to maintain in any fiscal year's

1 budget appropriated reserves for accrued vacation and accrued
2 sick leave that is required to be paid to employees of the
3 Secretary upon termination of their service with the Secretary
4 in an amount that is more than is reasonably anticipated to be
5 necessary for any anticipated turnover in employees, whether
6 due to normal attrition or due to layoffs, terminations, or
7 resignations.

8 "Regulatory fees" includes both fees collected under
9 Section 9002.5 and fees collected for examinations conducted by
10 the Secretary or his examiners or designees under authority of
11 this Act.

12 "Fiscal year" means a period beginning July 1 of any year
13 and ending June 30 of the next year.

14 (205 ILCS 205/9002.5)

15 Sec. 9002.5. Regulatory fees.

16 (a) For the fiscal year beginning July 1, 2007 and every
17 year thereafter, each savings bank and each service corporation
18 operating under this Act shall pay a fixed fee of \$520, plus a
19 variable fee based on the total assets of the savings bank or
20 service corporation at the following rates:

21 24.97¢ per \$1,000 of the first \$2,000,000 of total
22 assets;

23 22.70¢ per \$1,000 of the next \$3,000,000 of total
24 assets;

25 20.43¢ per \$1,000 of the next \$5,000,000 of total

1 assets;

2 17.025¢ per \$1,000 of the next \$15,000,000 of total

3 assets;

4 14.755¢ per \$1,000 of the next \$25,000,000 of total

5 assets;

6 12.485¢ per \$1,000 of the next \$50,000,000 of total

7 assets;

8 10.215¢ per \$1,000 of the next \$400,000,000 of total

9 assets;

10 6.81¢ per \$1,000 of the next \$500,000,000 of total

11 assets; and

12 4.54¢ per \$1,000 of all total assets in excess of

13 \$1,000,000,000 of such savings bank or service

14 corporation.

15 (b) The Secretary shall receive and there shall be paid to

16 the Secretary an additional fee as an adjustment to the

17 supervisory fee, based upon the difference between the total

18 assets of each savings bank and each service corporation as

19 shown by its financial report filed with the Secretary for the

20 reporting period of the calendar year ended December 31 on

21 which the supervisory fee was based and the total assets of

22 each savings bank and each service corporation as shown by its

23 financial report filed with the Secretary for the reporting

24 period of the calendar year ended December 31 in which the

25 quarterly payments are made according to the following

26 schedule:

1 24.97¢ per \$1,000 of the first \$2,000,000 of total
2 assets;

3 22.70¢ per \$1,000 of the next \$3,000,000 of total
4 assets;

5 20.43¢ per \$1,000 of the next \$5,000,000 of total
6 assets;

7 17.025¢ per \$1,000 of the next \$15,000,000 of total
8 assets;

9 14.755¢ per \$1,000 of the next \$25,000,000 of total
10 assets;

11 12.485¢ per \$1,000 of the next \$50,000,000 of total
12 assets;

13 10.215¢ per \$1,000 of the next \$400,000,000 of total
14 assets;

15 6.81¢ per \$1,000 of the next \$500,000,000 of total
16 assets; and

17 4.54¢ per \$1,000 of all total assets in excess of
18 \$1,000,000,000 of such savings bank or service
19 corporation.

20 (c) The Secretary shall receive and there shall be paid to
21 the Secretary by each savings bank and each service corporation
22 a fee of \$520 for each approved branch office or facility
23 office established under the Illinois Administrative Code. The
24 determination of the fees shall be made annually as of the
25 close of business of the prior calendar year ended December 31.

26 (d) The Secretary shall receive for each fiscal year,

1 commencing with the fiscal year ending June 30, 2014, a
2 contingent fee equal to the lesser of the aggregate of the fees
3 paid by all savings banks under subsections (a), (b), and (c)
4 of this Section for that year, or the amount, if any, whereby
5 the aggregate of the administration expenses, as defined in
6 subsection (c) of Section 9002.1 of this Act, for that fiscal
7 year exceeds the sum of the aggregate of the fees payable by
8 all savings banks for that year under subsections (a), (b), and
9 (c) of this Section, plus any amounts transferred into the
10 Savings Bank Regulatory Fund from the State Pensions Fund for
11 that year, plus all other amounts collected by the Secretary
12 for that year under any other provision of this Act. The
13 aggregate amount of the contingent fee thus arrived at for any
14 fiscal year shall be apportioned amongst, assessed upon, and
15 paid by the savings banks, respectively, in the same proportion
16 that the fee of each under subsections (a), (b), and (c) of
17 this Section, respectively, for that year bears to the
18 aggregate for that year of the fees collected under subsections
19 (a), (b), and (c) of this Section. The aggregate amount of the
20 contingent fee, and the portion thereof to be assessed upon
21 each savings bank, respectively, shall be determined by the
22 Secretary and shall be paid by each, respectively, within 120
23 days of the close of the period for which the contingent fee is
24 computed and is payable, and the Secretary shall give 20 days
25 advance notice of the amount of the contingent fee payable by
26 the savings bank and of the date fixed by the Secretary for

1 payment of the fee.

2 (Source: P.A. 95-1047, eff. 4-6-09.)

3 (205 ILCS 205/Art. 12.1 heading new)

4 ARTICLE 12.1. Effect of Repeal of Illinois

5 Savings and Loan Act of 1985

6 (205 ILCS 205/12101 new)

7 Sec. 12101. Effect of repeal. This Article sets forth the
8 effect of and means of transition necessitated by the repeal of
9 the Illinois Savings and Loan Act of 1985.

10 (205 ILCS 205/12102 new)

11 Sec. 12102. Effect on special funds.

12 (a) The Savings and Residential Finance Regulatory Fund
13 established under Section 7-19.1 of the Illinois Savings and
14 Loan Act of 1985 is hereby redesignated the Residential Finance
15 Regulatory Fund. The fund shall continue in existence under the
16 Illinois Residential Mortgage License Act of 1987 without
17 interruption and shall retain all moneys therein, except moneys
18 required to be transferred or returned from Savings and
19 Residential Finance Regulatory Fund, now designated the
20 Residential Finance Regulatory Fund, to the Savings
21 Institutions Regulatory Fund, now designated the Savings Bank
22 Regulatory Fund, pursuant to subsection (e) of Section 7-19.2
23 of the Illinois Savings and Loan Act of 1985, shall continue to

1 be required to be transferred or returned to the Savings
2 Institutions Regulatory Fund, now designated the Savings Bank
3 Regulatory Fund, as if subsection (e) of Section 7-19.2 of the
4 Illinois Savings and Loan Act of 1985 had not been repealed.

5 (b) The Savings Institutions Regulatory Fund established
6 under Section 7-19.2 of the Illinois Savings and Loan Act of
7 1985 is hereby redesignated the Savings Bank Regulatory Fund.
8 The fund shall continue in existence under Section 9002.1 of
9 this Act without interruption and shall retain all moneys
10 therein.

11 (205 ILCS 205/12103 new)

12 Sec. 12103. Effect on foreign associations.

13 (a) Any existing foreign association shall be deemed to be
14 an out-of-state savings bank under this Act.

15 (b) Notwithstanding any other provision of this Act, an
16 existing foreign association may retain any branch or office in
17 the State that properly existed in the State at the time of the
18 repeal of the Illinois Savings and Loan Act of 1985, and
19 continue to engage in the same activities in the State
20 therefrom as were engaged in immediately prior to the repeal of
21 the Illinois Savings and Loan Act, without further application
22 or notice to or approval of the Secretary.

23 (c) An existing foreign association may retain a
24 representative office in the State that properly existed in the
25 State at the time of the repeal of the Illinois Savings and

1 Loan Act of 1985, provided that the foreign association obtains
2 a license under the Foreign Bank Representative Office Act.

3 (205 ILCS 205/12104 new)

4 Sec. 12104. Effect on the Board of Savings Institutions.
5 The Board of Savings Institutions is hereby redesignated as the
6 Board of Savings Banks. The Board shall continue to operate
7 without interruption and as if it had been originally
8 established under Article 12.2 of this Act. The current members
9 of the Board of Savings Institutions shall continue to serve
10 the balance of their terms. Thereafter, the Board of Savings
11 Institutions shall be composed of members as required by
12 Section 12202 of this Act.

13 (205 ILCS 205/12105 new)

14 Sec. 12105. Applicability of other Acts. Whenever in any
15 Act the term "savings and loan", "building and loan", "mutual
16 building loan and homestead", or "building loan and homestead"
17 or other similar name is used with reference to an association
18 organized for the purposes of associations incorporated under
19 the Illinois Savings and Loan Act of 1985 or a similar act,
20 such reference shall be applicable to a savings bank operating
21 under this Act. Whenever in any Act the term "members",
22 "shareholders", or "investors" is used in connection with such
23 associations, however named, the same shall refer to members
24 and holders of capital of savings banks operating under this

1 Act.

2 (205 ILCS 205/Art. 12.2 heading new)

3 ARTICLE 12.2. Board of Savings Banks

4 (205 ILCS 205/12201 new)

5 Sec. 12201. Board of Savings Banks; appointment. The Board
6 of Savings Bank is established pursuant to Section 12104 of
7 this Act. The Board of Savings Banks shall be composed of the
8 Director of Banking, who shall be its chairperson and have the
9 power to vote, and 7 persons appointed by the Governor. Two of
10 the 7 persons appointed by the Governor shall represent the
11 public interest and the remainder shall have been engaged
12 actively in savings bank or savings and loan management in this
13 State for at least 5 years immediately prior to appointment.
14 Each member of the Board appointed by the Governor shall be
15 reimbursed for ordinary and necessary expenses incurred in
16 attending the meetings of the Board. Members, excluding the
17 chairperson, shall be appointed for 4-year terms to expire on
18 the third Monday in January. Except as otherwise provided in
19 this Section, members of the Board shall serve until their
20 respective successors are appointed and qualified. A member who
21 tenders a written resignation shall serve only until the
22 resignation is accepted by the chairperson. A member who fails
23 to attend 3 consecutive Board meetings without an excused
24 absence shall no longer serve as a member. The Governor shall

1 fill any vacancy by the appointment of a member for the
2 unexpired term in the same manner as in the making original
3 appointments.

4 (205 ILCS 205/12202 new)

5 Sec. 12202. Board of Savings Banks; organization and
6 meetings. The Board shall elect a vice chairperson and
7 secretary of the Board; shall adopt by-laws for the holding and
8 conducting of meetings and appointing officers and committees;
9 and shall keep a record of all meetings and transactions and
10 make such other provisions for the daily conduct of its
11 business as it deems necessary. A majority of the members of
12 the Board, excluding those members who are no longer serving as
13 members as provided in Section 12201 of this Act, shall
14 constitute a quorum. The act of the majority of the members of
15 the Board present at a meeting at which a quorum is present
16 shall be the act of the Board. Regular meetings shall be held
17 as provided in the by-laws, and special meetings may be called
18 by the chairperson or upon the request of any 3 members of the
19 Board or the Secretary. The Board shall maintain at the office
20 of the Secretary permanent records of its meetings, hearings,
21 and decisions. The Secretary shall provide adequate quarters
22 and personnel for use by the Board.

23 (205 ILCS 205/12203 new)

24 Sec. 12203. Board of Savings Banks; powers. The Board shall

1 have the power to:

2 (a) advise the Governor and Secretary on all matters
3 relating to the regulation of savings banks; and

4 (b) advise the Governor on legislation proposed to amend
5 this Act or any related Act.

6 (205 ILCS 205/1007.70 rep.)

7 (205 ILCS 205/9017 rep.)

8 Section 25. The Savings Bank Act is amended by repealing
9 Sections 1007.70 and 9017.

10 Section 30. The Corporate Fiduciary Act is amended by
11 changing Section 6-5 as follows:

12 (205 ILCS 620/6-5) (from Ch. 17, par. 1556-5)

13 Sec. 6-5. When the Commissioner has taken possession and
14 control of a corporate fiduciary and its assets, he shall be
15 vested with the full powers of management and control,
16 including, but not limited to, the following:

17 (1) The power to continue or to discontinue the
18 business;

19 (2) The power to stop or to limit the payment of its
20 obligations;

21 (3) The power to collect and to use its assets and to
22 give valid receipts and acquittances therefor;

23 (4) The power to employ and to pay any necessary

1 assistants;

2 (5) The power to execute any instrument in the name of
3 the corporate fiduciary;

4 (6) The power to commence, defend and conduct in its
5 name any action or proceeding in which it may be a party;

6 (7) The power, upon the order of the court, to sell and
7 convey its assets in whole or in part, and to sell or
8 compound bad or doubtful debts upon such terms and
9 conditions as may be fixed in such order;

10 (8) The power, upon the order of the court, to make and
11 to carry out agreements with other corporate fiduciaries,
12 financial institutions or with the United States or any
13 agency thereof, for the payment or assumption of the
14 corporate fiduciaries liabilities, in whole or in part, and
15 to transfer assets and to make guaranties, in whole or in
16 part, and to transfer assets and to make guaranties in
17 connection therewith;

18 (9) The power, upon the order of the court, to borrow
19 money in the name of the corporate fiduciary and to pledge
20 its assets as security for the loan;

21 (10) The power to terminate his possession and control
22 by restoring the corporate fiduciary to its board of
23 directors;

24 (11) The power to reorganize the corporate fiduciary as
25 provided in this Act;

26 (12) The power to appoint a receiver which may be the

1 Office of the Commissioner, a corporate fiduciary or
2 another suitable person and to order liquidation of the
3 corporate fiduciary as provided in this Act; and

4 (13) The power, upon the order of the court and without
5 the appointment of a receiver, to determine that the
6 corporate fiduciary has been closed for the purpose of
7 liquidation without adequate provision being made for
8 payment of its fiduciary obligations, and thereupon the
9 corporate fiduciary shall be deemed to have been closed on
10 account of inability to meet its obligations to its
11 beneficiaries.

12 The Secretary or any person appointed as receiver shall
13 have all of the powers, rights, and privileges as the Federal
14 Deposit Insurance Corporation when appointed as receiver,
15 which shall originate at the time of the appointment and
16 continue through the term of the receivership.

17 (Source: P.A. 86-754.)

18 Section 40. The Residential Mortgage License Act of 1987 is
19 amended by changing Section 4-1 and by adding Section 4-1.5 as
20 follows:

21 (205 ILCS 635/4-1) (from Ch. 17, par. 2324-1)

22 Sec. 4-1. Commissioner of Banks and Real Estate; functions,
23 powers, and duties. The functions, powers, and duties of the
24 Commissioner of Banks and Real Estate shall include the

1 following:

2 (a) to issue or refuse to issue any license as provided
3 by this Act;

4 (b) to revoke or suspend for cause any license issued
5 under this Act;

6 (c) to keep records of all licenses issued under this
7 Act;

8 (d) to receive, consider, investigate, and act upon
9 complaints made by any person in connection with any
10 residential mortgage licensee in this State;

11 (e) to consider and act upon any recommendations from
12 the Residential Mortgage Board;

13 (f) to prescribe the forms of and receive:

14 (1) applications for licenses; and

15 (2) all reports and all books and records required
16 to be made by any licensee under this Act, including
17 annual audited financial statements and annual reports
18 of mortgage activity;

19 (g) to adopt rules and regulations necessary and proper
20 for the administration of this Act;

21 (h) to subpoena documents and witnesses and compel
22 their attendance and production, to administer oaths, and
23 to require the production of any books, papers, or other
24 materials relevant to any inquiry authorized by this Act;

25 (h-1) to issue orders against any person, if the
26 Commissioner has reasonable cause to believe that an

1 unsafe, unsound, or unlawful practice has occurred, is
2 occurring, or is about to occur, if any person has
3 violated, is violating, or is about to violate any law,
4 rule, or written agreement with the Commissioner, or for
5 the purpose of administering the provisions of this Act and
6 any rule adopted in accordance with the Act;

7 (h-2) to address any inquiries to any licensee, or the
8 officers thereof, in relation to its activities and
9 conditions, or any other matter connected with its affairs,
10 and it shall be the duty of any licensee or person so
11 addressed, to promptly reply in writing to such inquiries.
12 The Commissioner may also require reports from any licensee
13 at any time the Commissioner may deem desirable;

14 (i) to require information with regard to any license
15 applicant as he or she may deem desirable, with due regard
16 to the paramount interests of the public as to the
17 experience, background, honesty, truthfulness, integrity,
18 and competency of the license applicant as to financial
19 transactions involving primary or subordinate mortgage
20 financing, and where the license applicant is an entity
21 other than an individual, as to the honesty, truthfulness,
22 integrity, and competency of any officer or director of the
23 corporation, association, or other entity, or the members
24 of a partnership;

25 (j) to examine the books and records of every licensee
26 under this Act at intervals as specified in Section 4-2;

1 (k) to enforce provisions of this Act;

2 (l) to levy fees, fines, and charges for services
3 performed in administering this Act; the aggregate of all
4 fees collected by the Commissioner on and after the
5 effective date of this Act shall be paid promptly after
6 receipt of the same, accompanied by a detailed statement
7 thereof, into the ~~Savings~~ and Residential Finance
8 Regulatory Fund under Section 4-1.5 of this Act; the
9 amounts deposited into that Fund shall be used for the
10 ordinary and contingent expenses of the Office of Banks and
11 Real Estate. Nothing in this Act shall prevent continuing
12 the practice of paying expenses involving salaries,
13 retirement, social security, and State-paid insurance of
14 State officers by appropriation from the General Revenue
15 Fund.

16 (m) to appoint examiners, supervisors, experts, and
17 special assistants as needed to effectively and
18 efficiently administer this Act;

19 (n) to conduct hearings for the purpose of:

20 (1) appeals of orders of the Commissioner;

21 (2) suspensions or revocations of licenses, or
22 fining of licensees;

23 (3) investigating:

24 (i) complaints against licensees; or

25 (ii) annual gross delinquency rates; and

26 (4) carrying out the purposes of this Act;

1 (o) to exercise exclusive visitorial power over a
2 licensee unless otherwise authorized by this Act or as
3 vested in the courts, or upon prior consultation with the
4 Commissioner, a foreign residential mortgage regulator
5 with an appropriate supervisory interest in the parent or
6 affiliate of a licensee;

7 (p) to enter into cooperative agreements with state
8 regulatory authorities of other states to provide for
9 examination of corporate offices or branches of those
10 states and to accept reports of such examinations;

11 (q) to assign an examiner or examiners to monitor the
12 affairs of a licensee with whatever frequency the
13 Commissioner determines appropriate and to charge the
14 licensee for reasonable and necessary expenses of the
15 Commissioner, if in the opinion of the Commissioner an
16 emergency exists or appears likely to occur;

17 (r) to impose civil penalties of up to \$50 per day
18 against a licensee for failing to respond to a regulatory
19 request or reporting requirement; and

20 (s) to enter into agreements in connection with the
21 Nationwide Mortgage Licensing System and Registry.

22 (Source: P.A. 96-112, eff. 7-31-09; 96-1000, eff. 7-2-10.)

23 (205 ILCS 635/4-1.5 new)

24 Sec. 4-1.5. Residential Finance Regulatory Fund.

25 (a) The aggregate of all moneys collected by the Secretary

1 under this Act shall be paid promptly after receipt of the
2 same, accompanied by a detailed statement thereof, into the
3 State treasury and shall be set apart in the Residential
4 Finance Regulatory Fund, formerly designated the Savings and
5 Residential Finance Regulatory Fund, a special fund created in
6 the State treasury. The amounts deposited into the Fund shall
7 be used for the ordinary and contingent expenses of the
8 Department of Financial and Professional Regulation and the
9 Division of Banking, or their successors, in administering and
10 enforcing the Residential Mortgage License Act of 1987 and
11 other laws, rules, and regulations as may apply to the
12 administration and enforcement of the foregoing laws, rules,
13 and regulations, as amended from time to time. Nothing in this
14 Act shall prevent continuing the practice of paying expenses
15 involving salaries, retirement, social security, and State
16 paid insurance of State officers by appropriation from the
17 General Revenue Fund.

18 (b) Moneys in the Residential Finance Regulatory Fund may
19 be transferred to the Professions Indirect Cost Fund, as
20 authorized under Section 2105-300 of the Department of
21 Professional Regulation Law of the Civil Administrative Code of
22 Illinois.

23 (c) All earnings received from investments of funds in the
24 Residential Finance Regulatory Fund shall be deposited into
25 that Fund and may be used for the same purposes as fees
26 deposited into that Fund.

1 Section 45. The Foreign Bank Representative Office Act is
2 amended by changing Section 2 as follows:

3 (205 ILCS 650/2) (from Ch. 17, par. 2852)

4 Sec. 2. Definitions. As used in this Act, unless the
5 context requires otherwise:

6 (a) "Commissioner" means the Secretary of Financial and
7 Professional Regulation or a person authorized by the
8 Secretary, the Division of Banking Act, or this Act to act in
9 the Secretary's stead.

10 (b) "Foreign bank" means (1) a bank, savings bank, savings
11 association, or trust company which is organized under the laws
12 of any state or territory of the United States, including the
13 District of Columbia, other than the State of Illinois; (2) a
14 national bank having its principal place of business in any
15 state or territory of the United States, including the District
16 of Columbia, other than the State of Illinois; or (3) a bank or
17 trust company organized and operating under the laws of a
18 country other than the United States of America.

19 (c) "Representative office" means an office in the State of
20 Illinois at which a foreign bank engages in representational
21 functions but does not conduct a commercial banking business.

22 (d) "Division" means the Division of Banking within the
23 Department of Financial and Professional Regulation.

24 (Source: P.A. 96-1365, eff. 7-28-10.)

1		INDEX
2		Statutes amended in order of appearance
3	30 ILCS 105/5.214	from Ch. 127, par. 141.214
4	30 ILCS 105/5.805	
5	30 ILCS 105/8.12	from Ch. 127, par. 144.12
6	205 ILCS 5/48	
7	205 ILCS 105/Act rep.	
8	205 ILCS 205/1007.130	
9	205 ILCS 205/1007.150 new	
10	205 ILCS 205/9002	from Ch. 17, par. 7309-2
11	205 ILCS 205/9002.1 new	
12	205 ILCS 205/9002.5	
13	205 ILCS 205/Art. 12.1	
14	heading new	
15	205 ILCS 205/12101 new	
16	205 ILCS 205/12102 new	
17	205 ILCS 205/12103 new	
18	205 ILCS 205/12104 new	
19	205 ILCS 205/12105 new	
20	205 ILCS 205/Art. 12.2	
21	heading new	
22	205 ILCS 205/12201 new	
23	205 ILCS 205/12202 new	
24	205 ILCS 205/12203 new	
25	205 ILCS 205/1007.70 rep.	

- 1 205 ILCS 205/9017 rep.
- 2 205 ILCS 620/6-5 from Ch. 17, par. 1556-5
- 3 205 ILCS 635/4-1 from Ch. 17, par. 2324-1
- 4 205 ILCS 635/4-1.5 new
- 5 205 ILCS 650/2 from Ch. 17, par. 2852