

1 AN ACT to create the Banking Development District Act.

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

4 Section 1. Short title. This Act may be cited as the  
5 Banking Development District Act.

6 Section 5. Banking development district programs. There  
7 is hereby created a banking development district program, the  
8 purpose of which is to encourage the establishment of  
9 branches in geographic locations where there is a  
10 demonstrated need for banking services. The State Treasurer  
11 shall, in consultation with the Office of Banks and Real  
12 Estate, promulgate rules, after public hearing and comment,  
13 that set forth the criteria for the establishment of banking  
14 development districts. The criteria shall include, but not be  
15 limited to, the following:

16 (1) the location, number, and proximity of sites  
17 where banking services are available within the district;

18 (2) the identification of consumer needs for  
19 banking services within the district;

20 (3) the economic viability and local credit needs  
21 of the community within the district;

22 (4) the existing commercial development within the  
23 district;

24 (5) the impact additional banking services would  
25 have on potential economic development in the district;  
26 and

27 (6) any other criteria that the State Treasurer  
28 deems appropriate.

29 Section 10. Definitions. For the purposes of this Act,  
30 the term "local government" means a county, town, city, or

1 village.

2 The terms "alteration", "construction", "installation",  
3 and "improvement" do not include ordinary maintenance and  
4 repairs.

5 Section 15. Application. A local government, in  
6 conjunction with a bank, trust company, or national bank, may  
7 submit an application to the State Treasurer for the  
8 designation of a banking development district. The State  
9 Treasurer shall issue a determination on the application  
10 within 60 days after receiving the application. If an  
11 application is approved, the State Treasurer shall transmit  
12 notification of the approval to the applicants, the  
13 Commissioner of the Office of Banks and Real Estate, the  
14 Governor, the State Comptroller, the Director of Commerce and  
15 Community Affairs, the President of the Senate, and the  
16 Speaker of the House of Representatives.

17 Section 20. Existing facilities. Notwithstanding any  
18 other provision of law, an application may be submitted by a  
19 local government in conjunction with a bank, trust company,  
20 or national bank that has already opened a branch within the  
21 area of the proposed district. In considering the criteria  
22 authorized under Section 5, the Treasurer must also take into  
23 account the importance and benefits of preserving the banking  
24 services offered by the existing branch.

25 Section 25. Banking development districts.

26 (a) Real property that is altered, constructed, or  
27 improved for use as a branch of a bank, trust company, or  
28 national bank in an area designated as a banking development  
29 district by the Treasurer, in accordance with this Act, shall  
30 be exempt from general taxes and special assessments by any  
31 local government for a period of 10 years as provided in this

1 Section, if the governing board of the local government,  
2 after a public hearing, adopts an ordinance or resolution  
3 providing for the exemption.

4 (b) Where the ordinance or resolution has been adopted,  
5 the real property that is used to establish a branch of a  
6 bank, trust company, or national bank in a banking  
7 development district shall be exempt for a period of one year  
8 of 50% of the "exemption base", determined under subsection  
9 (c) of this Section, and the exemption shall be decreased by  
10 5% each year during the additional period. A copy of the  
11 ordinance or resolution shall be filed with the State  
12 Treasurer and the assessor of the local government who  
13 prepares the assessment roll on which the taxes of the  
14 county, city, town, village, or school district are levied.

15 (c) The "exemption base" is the increase in assessed  
16 value attributable to the alteration, construction,  
17 installation, or improvement as determined in the initial  
18 year for which application for exemption is made. The  
19 following table sets forth the method of computing the tax  
20 exemption:

Year of exemption	Percentage of exemption
1	50
2	45
3	40
4	35
5	30
6	25
7	20
8	15
9	10
10	5

32 (d) No exemption may be granted under this Section,  
33 unless:

34 (1) the alteration, construction, installation, or

1 improvement commenced on or after either the date the  
2 banking development district was designated by the State  
3 Treasurer or, if specified in the ordinance or resolution  
4 adopted under subsection (a) of this Section, the  
5 effective date of the resolution or ordinance; and

6 (2) the property is located in a banking  
7 development district designated by the State Treasurer.

8 (e) The exemption may be granted only upon a written  
9 application of the owner of the real property on a form  
10 prescribed by the Treasurer. The application must be filed  
11 with the assessor of the local government having the power to  
12 assess property for taxation on or before the appropriate  
13 taxable status date of the local government and no later than  
14 one year after the date of completion of the alteration,  
15 construction, installation, or improvement.

16 (f) If the assessor is satisfied that the applicant is  
17 entitled to an exemption under this Section, the assessor  
18 must approve the application and the real property shall be  
19 exempt from general taxes and special assessments as provided  
20 in this Act commencing with the assessment roll prepared  
21 after the taxable status date referred to in subsection (d)  
22 of this Section. The assessor must enter the assessed value  
23 of any exemption granted under this Section onto the  
24 assessment roll containing the real property that is exempt  
25 and place the amount of the exemption in a separate column

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