

1                                    AMENDMENT TO SENATE BILL 2301

2            AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 2301, AS AMENDED,  
3 by replacing the title with the following:

4            "AN ACT concerning banking."; and

5 by replacing everything after the enacting clause with the  
6 following:

7            "Section 1. Short title. This act may be cited as the  
8 Banking Development District Act.

9            Section 5. Banking development district program. There is  
10 hereby created a banking development district program, the  
11 purpose of which is to encourage the establishment of banking  
12 branches in geographic locations where there is a  
13 demonstrated need for banking services. The State Treasurer  
14 shall, in consultation with the Office of Banks and Real  
15 Estate, adopt rules in accordance with the Administrative  
16 Procedure Act that set forth the criteria for the  
17 establishment of banking development districts. The criteria  
18 shall include, but not be limited to, the following:

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

21            (2) the identification of consumer needs for

1 banking services within the district;

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

4 (4) the existing commercial development within the  
5 district;

6 (5) the impact additional banking services would  
7 have on potential economic development in the district;  
8 and

9 (6) any other criteria that the State Treasurer  
10 deems appropriate.

11 Section 10. Definitions. As used in this Act:

12 "Improvement" does not include ordinary maintenance and  
13 repairs.

14 "Bank" means a state bank, national bank, savings bank,  
15 federal savings bank, savings and loan association, federal  
16 savings and loan association, or trust company.

17 "Local government" means a county if the proposed banking  
18 branch is in an unincorporated area or a municipality if the  
19 proposed banking branch is in an incorporated area.

20 Section 15. Application. The governing board of a local  
21 government, in conjunction with a bank, may submit an  
22 application to the State Treasurer for the designation of a  
23 banking development district. The boundaries of the proposed  
24 banking development district shall include property on which  
25 the bank plans to make improvements to establish a banking  
26 branch. The application shall include the legal description  
27 of the property to be designated.

28 The State Treasurer shall issue a determination on the  
29 application within 60 days after receiving the application.  
30 If an application is approved, the State Treasurer shall  
31 transmit notification of the approval and a copy of all  
32 application materials to the applicants, the Commissioner of

1 the Office of Banks and Real Estate, the Governor, the State  
2 Comptroller, the Director of Commerce and Community Affairs,  
3 the President of the Senate, the Speaker of the House of  
4 Representatives, and the clerk of the county in which the  
5 property is located.

6 Section 20. Existing facilities. Notwithstanding any  
7 other provision of law, an application may be submitted by a  
8 local government in conjunction with a bank that has already  
9 opened a branch within the area of the proposed district. In  
10 considering the criteria authorized under Section 5, the  
11 State Treasurer must also take into account the importance  
12 and benefits of preserving the banking services offered by  
13 the existing branch.

14 Section 25. Abatement under the Property Tax Code. Upon  
15 designation of the banking development district by the State  
16 Treasurer, the property of a bank located within a banking  
17 development district may be eligible for a tax abatement  
18 under Section 18-167 of the Property Tax Code.

19 Section 905. The Property Tax Code is amended by adding  
20 Section 18-167 as follows:

21 (35 ILCS 200/18-167 new)

22 Sec. 18-167. Abatement of taxes in a banking district.

23 (a) Definitions. For purposes of this Section, "bank"  
24 means that term as defined in the Banking Development  
25 District Act.

26 (b) Any taxing district, upon a majority vote of its  
27 governing authority, may, after the determination of the  
28 assessed valuation of its property, adopt an ordinance or  
29 resolution ordering the clerk of the county or counties in  
30 which the taxing district is located to abate a portion of

1 the taxing district's taxes on property of a bank that is  
2 used as a banking branch in an area designated as a banking  
3 development district under the Banking Development District  
4 Act. Before ordering the abatement, the taxing district must  
5 hold a public hearing regarding the proposed abatement.

6 (1) The base amount of the abatement shall be the  
7 taxes arising from the new improvements or the renovation  
8 or rehabilitation of existing improvements since the  
9 designation of the banking development district, based on  
10 the equalized assessed value attributable to the new  
11 improvements or the renovation or rehabilitation of  
12 existing improvements for the first year they were  
13 assessed as completed as of January 1 of that tax year.  
14 Taxes attributable to increases in assessment due to  
15 ordinary maintenance and repair shall not be abated under  
16 this Section.

17 A copy of an abatement order adopted under this  
18 Section shall be delivered to the county clerk and to the  
19 board of review not later than July 1 of the assessment  
20 year to be first affected by the order. If it is  
21 delivered on or after that date, it will first affect the  
22 taxes extended on the assessment of the following year.  
23 The board of review shall, in the first year of the  
24 abatement, notify the bank to be affected and the taxing  
25 district granting the abatement of the list of parcels  
26 affected by an abatement under this Section and the  
27 assessed value attributable to the new improvements or  
28 the renovation or rehabilitation of existing improvements  
29 for the first year they were assessed as completed as of  
30 January 1 of that tax year. The affected bank or taxing  
31 district may file a complaint regarding the list of  
32 parcels and computation within 15 days after the mailing  
33 of the notification, and shall be given an opportunity to  
34 be heard. The board of review shall, in the first year of

1 the abatement, upon delivering the assessment books to  
 2 the county clerk, also deliver a list of parcels affected  
 3 by an abatement under this Section and the assessed value  
 4 attributable to new improvements or to the renovation or  
 5 rehabilitation of existing improvements for the first  
 6 year they were assessed as completed as of January 1 of  
 7 that tax year.

8 The county clerk shall abate the base amount as  
 9 follows:

<u>YEAR OF</u> <u>ABATEMENT</u>	<u>PERCENTAGE OF BASE</u> <u>AMOUNT ABATED</u>
<u>1</u>	<u>50%</u>
<u>2</u>	<u>45%</u>
<u>3</u>	<u>40%</u>
<u>4</u>	<u>35%</u>
<u>5</u>	<u>30%</u>
<u>6</u>	<u>25%</u>
<u>7</u>	<u>20%</u>
<u>8</u>	<u>15%</u>
<u>9</u>	<u>10%</u>
<u>10</u>	<u>5%</u>

22 (ii) The governing authority of a taxing district  
 23 may abate the property taxes on a banking branch that was  
 24 already in existence when the banking development  
 25 district was created under the Banking Development  
 26 District Act. The county clerk shall abate the taxes in  
 27 an amount that shall be determined by the governing  
 28 authority of the taxing district. The abatement shall not  
 29 exceed a period of 10 years in duration and 50% of the  
 30 taxes attributable to the improvements in amount.

31 (c) If property approved for an abatement under this  
 32 Section ceases to be used as a banking branch, that property  
 33 is no longer eligible for abatement of taxes. If an abatement  
 34 is discontinued under this Section, the taxing district shall

1 notify the county clerk of the discontinuation in writing no  
2 later than July 1 of the assessment year to be first affected  
3 by the change. If an abatement of taxes is again allowed  
4 under this Section for the same property, the property shall  
5 be eligible for only that portion of the abatement not  
6 already used.

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