

97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

HB3781

by Rep. La Shawn K. Ford

SYNOPSIS AS INTRODUCED:

30 ILCS 225/1.5 new

Amends the Public Funds Deposit Act. Provides that a depository institution that intends to close, relocate, or consolidate a branch location that impacts a low-income, moderate-income, or economically depressed urban or rural community must comply with certain advance notice and hearing requirements. Provides for the State Treasurer to hold a public hearing and determine whether it is in the best interests of the State to allow the closing, relocation, or consolidation. If the institution does not abide with a determination by the State Treasurer adverse to the institution's intent, then it may not receive or retain deposits of public funds. Effective immediately.

LRB097 12014 JDS 55696 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning finance.

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

4 Section 5. The Public Funds Deposit Act is amended by
5 adding Section 1.5 as follows:

6 (30 ILCS 225/1.5 new)

7 Sec. 1.5. Branch closure, relocation, or consolidation.

8 (a) No depository institution shall receive or retain
9 deposits of public funds as permitted by this Act unless it
10 complies with this Section.

11 (b) Before it closes, relocates, or consolidates a branch
12 location that impacts a low-income, moderate-income, or
13 economically depressed urban or rural community in this State,
14 the institution must do both of the following:

15 (1) provide the State Treasurer with 90 days' advance
16 notice in writing of an intent to close, relocate, or
17 consolidate; and

18 (2) publish 90 days' advance notice in a newspaper of
19 general circulation within the affected area of an intent
20 to close, relocate, or consolidate.

21 (c) If the State Treasurer determines that the closing,
22 relocation, or consolidation could have an adverse impact in
23 the affected area, then the State Treasurer shall hold a public

1 hearing in the affected area at least 15 days before any
2 closing, relocation, or consolidation. The State Treasurer
3 shall give adequate notice of the hearing to the community and
4 to the institution. Advocates for the community shall be
5 allowed to present their objections at the hearing.

6 (d) Within 5 days after the hearing, the State Treasurer
7 shall notify the community and the institution whether the
8 State Treasurer determines that it is in the best interests of
9 the State to allow the closing, relocation, or consolidation to
10 occur. If the institution does not abide with a determination
11 by the State Treasurer that is not in the best interests to
12 allow the closing, relocation, or consolidation, then the
13 institution shall thereafter not receive or retain public funds
14 under this Act.

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