

1                                   AMENDMENT TO SENATE BILL 2301

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

4           "AN ACT to create the Banking Development District Act.;"  
5 and

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

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

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

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

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

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

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

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

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

12          Section 10. Definitions. For the purposes of this Act,  
13 the term "local government" means a county if in an  
14 unincorporated area or a municipality if in an incorporated  
15 area.

16          The terms "alteration", "construction", "installation",  
17 and "improvement" do not include ordinary maintenance and  
18 repairs.

19          For the purpose of this Act, the term "bank" means a  
20 state bank, national bank, savings bank, federal savings  
21 bank, savings and loan association, federal savings and loan  
22 association, or trust company.

23          Section 15. Application. A local government, in  
24 conjunction with a bank, may submit an application to the  
25 State Treasurer for the designation of a banking development  
26 district. The State Treasurer shall issue a determination on  
27 the application within 60 days after receiving the  
28 application. If an application is approved, the State  
29 Treasurer shall transmit notification of the approval to the  
30 applicants, the Commissioner of the Office of Banks and Real  
31 Estate, the Governor, the State Comptroller, the Director of  
32 Commerce and Community Affairs, the President of the Senate,

1 and the Speaker of the House of Representatives.

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

10 Section 25. Banking development districts.

11 (a) The general taxes and special assessments of the  
12 local government on real property that is altered,  
13 constructed, or improved for use as a branch of a bank in an  
14 area designated as a banking development district by the  
15 Treasurer, in accordance with this Act, shall be abated for a  
16 period of 10 years as provided in this Section, if the  
17 governing board of the local government imposing the taxes or  
18 special assessments, after a public hearing, adopts an  
19 ordinance or resolution providing for the abatement.

20 (b) Where the ordinance or resolution has been adopted,  
21 the general taxes and special assessments of the local  
22 government on real property that is used to establish a  
23 branch of a bank in a banking development district shall be  
24 abated for a period of one year in the amount of 50% of the  
25 "abatement base", determined under subsection (c) of this  
26 Section, and the abatement shall be decreased by 5% each year  
27 during the additional period. A copy of the ordinance or  
28 resolution shall be filed with the State Treasurer and the  
29 county clerk.

30 (c) The "abatement base" is the increase in general  
31 taxes and special assessments resulting from an increase in  
32 any assessed value attributable to the alteration,

1 construction, installation, or improvement as determined in  
 2 the initial year for which an application for the abatement  
 3 is made. The following table sets forth the method of  
 4 computing the abatement:

| 5  | Year of abatement | Percentage of abatement |
|----|-------------------|-------------------------|
| 6  | 1                 | 50                      |
| 7  | 2                 | 45                      |
| 8  | 3                 | 40                      |
| 9  | 4                 | 35                      |
| 10 | 5                 | 30                      |
| 11 | 6                 | 25                      |
| 12 | 7                 | 20                      |
| 13 | 8                 | 15                      |
| 14 | 9                 | 10                      |
| 15 | 10                | 5                       |

16 (d) No abatement may be granted under this Section,  
 17 unless:

18 (1) the alteration, construction, installation, or  
 19 improvement commenced on or after either the date the  
 20 banking development district was designated by the State  
 21 Treasurer or, if specified in the ordinance or resolution  
 22 adopted under subsection (a) of this Section, the  
 23 effective date of the resolution or ordinance; and

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

26 (e) The abatement may be granted only upon a written  
 27 application of the owner of the real property on a form  
 28 prescribed by the Treasurer. The application must be filed  
 29 with the governing board of the local government no later  
 30 than one year after the date of completion of the alteration,  
 31 construction, installation, or improvement.

32 (f) If the governing board of the local government is  
 33 satisfied that the applicant is entitled to an abatement  
 34 under this Section, the board must approve the application

1 and the general taxes and special assessments on the real  
2 property shall be abated as provided in this Act.

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