

INTERPRETIVE LETTER 92-3 (APRIL 24, 1992)

State bank that establishes a banking facility at senior citizen's or long term care facility is not required to file Notice of Intent to Branch with Commissioner.

This is in reply to your letter dated *, in which you inquired about the authority of the Bank to offer banking services at a retirement home pursuant to Section 44.1 of the Illinois Banking Act ("Act"), Ill. Rev. Stat. ch. 17, par. 354.1 (1989). In your letter, you expressed concern about the population restriction that limited such authority to banks in counties with populations of more than 250,000 but less than 300,000. Please be advised that the population restriction cited in your letter no longer exists. Enclosed for your reference is a copy of Public Act 87-602 which became effective on September 18, 1991. Public Act 87-602 removed the population restriction and now provides the authority for all state banks in Illinois to provide banking services to persons residing in any bona fide nursing home, senior citizens' retirement home, or long term care facility. It also includes a geographic limitation providing that a bank may only offer services in such facilities if those facilities are located in the home county of the bank or in a county that is contiguous to the bank's home county (i.e. the geographic limitations set forth in subparagraph (a) of paragraph (15) of Section 5 of the Act).

In your letter, you also inquired as to what steps the Bank would have to take in order to conduct banking services at a local retirement home. Because the facilities are not deemed to be "branches," the Bank would not have to file any Notice of Intent to Establish a Branch.