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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL  
No. 2533 Session of  
2000

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INTRODUCED BY ALLEN, HASAY, CALTAGIRONE, GORDNER, PERZEL,  
BARLEY, COY, ARGALL, BAKER, BOYES, L. I. COHEN, M. COHEN,  
DEMPSEY, DERMODY, FAIRCHILD, FLICK, FRANKEL, GEIST, GODSHALL,  
HARHAI, HENNESSEY, HERMAN, HORSEY, LaGROTTA, LESCOVITZ,  
LUCYK, MARKOSEK, MASLAND, MAYERNIK, McCALL, S. MILLER,  
NAILOR, NICKOL, PETRARCA, PHILLIPS, RAYMOND, SAINATO, SEMMEL,  
SHANER, TULLI, WILT, ZUG, STEVENSON, METCALFE, CLARK, VANCE,  
HESS, McILHATTAN, FARGO, ADOLPH, CORNELL, TRUE, SCRIMENTI,  
SCHULER, VAN HORNE, MAHER, ROSS, STERN, STABACK, SAYLOR,  
BASTIAN, KENNEY, MUNDY, PRESTON, WOJNAROSKI, THOMAS, STETLER,  
GANNON, MICOZZIE AND TRICH, MAY 9, 2000

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AS AMENDED ON THIRD CONSIDERATION, IN SENATE, OCTOBER 10, 2000

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AN ACT

1 Amending the act of November 30, 1965 (P.L.847, No.356),  
2 entitled "An act relating to and regulating the business of  
3 banking and the exercise by corporations of fiduciary powers;  
4 affecting persons engaged in the business of banking and  
5 corporations exercising fiduciary powers and affiliates of  
6 such persons; affecting the shareholders of such persons and  
7 the directors, trustees, officers, attorneys and employes of  
8 such persons and of the affiliates of such persons; affecting  
9 national banks located in the Commonwealth; affecting persons  
10 dealing with persons engaged in the business of banking,  
11 corporations exercising fiduciary powers and national banks;  
12 conferring powers and imposing duties on the Banking Board,  
13 on certain departments and officers of the Commonwealth and  
14 on courts, prothonotaries, clerks and recorders of deeds;  
15 providing penalties; and repealing certain acts and parts of  
16 acts," further providing for BANK HOLDING COMPANIES, FOR  
17 AUTHORIZATION OF RECIPROCAL INTERSTATE OPERATIONS OF SAVINGS  
18 BANKS, FOR corporations authorized to act as fiduciary, for  
19 general corporate powers and duties of incorporated  
20 institutions, for additional powers of incorporated  
21 institutions related to conduct of business, for additional  
22 powers related to conduct of business of incorporated  
23 institutions other than trust companies, for real estate

<—

1 loans by banks and bank and trust companies, for transactions  
2 with respect to shares of corporate stock and capital  
3 securities and for real estate loans by savings banks;  
4 further prohibiting promoters' fees; further providing for  
5 BRANCHES OUTSIDE PENNSYLVANIA, FOR audits and reports and for <—  
6 preferential rates of interest; ~~and requiring a report from~~ <—  
7 ~~the Legislative Budget and Finance Committee;~~ AND MAKING <—  
8 REPEALS.

9 The General Assembly of the Commonwealth of Pennsylvania  
10 hereby enacts as follows:

11 Section 1. Section 102 of the act of November 30, 1965  
12 (P.L.847, No.356), known as the Banking Code of 1965, is amended  
13 by adding a subsection to read:

14 Section 102. Definitions

15 Subject to additional definitions contained in subsequent  
16 chapters of this act which are applicable to specific chapters  
17 or sections thereof, the following words and phrases when used  
18 in this act shall have, unless the context clearly indicates  
19 otherwise, the meanings given to them in this section:

20 \* \* \*

21 (ii) "Subsidiary"--a corporation or other entity defined as  
22 a subsidiary by section 2 of the Bank Holding Company Act of  
23 1956 (70 Stat. 133, 12 U.S.C. § 1841 et seq.), regardless of  
24 whether the corporation or other entity is a subsidiary of a  
25 bank holding company.

26 Section 2. ~~Section 106(b)~~ SECTIONS 106(B) AND 115 of the <—  
27 act, amended July 6, 1995 (P.L.271, No.39), ~~is~~ ARE amended to <—  
28 read:

29 Section 106. Corporations Authorized to Act as Fiduciary

30 \* \* \*

31 (b) Foreign fiduciaries--No corporation existing under the  
32 laws of a state other than this Commonwealth [or national bank  
33 located in another state, except an interstate bank, may act in

1 this Commonwealth as fiduciary unless:

2 (i) it shall be appointed fiduciary by will or other  
3 testamentary writing, by a deed of trust or by a court or  
4 register of wills of this Commonwealth or it shall be  
5 designated as fiduciary by the beneficiaries or by one or  
6 more other fiduciaries of the estate or trust pursuant to the  
7 terms of the instrument, or

8 (ii) it shall be the successor by merger or  
9 consolidation to a corporation lawfully acting as fiduciary  
10 in this Commonwealth at the time of such merger or  
11 consolidation

12 and unless the laws of such other state confer like powers on  
13 corporations existing under the laws of this Commonwealth. No  
14 corporation of another state or national bank located in another  
15 state authorized to act as fiduciary pursuant to this subsection  
16 (b) shall be authorized to establish a place of business in this  
17 Commonwealth.] may act in this Commonwealth as fiduciary, except  
18 that an incorporated institution possessing fiduciary powers  
19 pursuant to the laws of another state shall have the same power  
20 to engage in fiduciary activities within this Commonwealth as a  
21 national banking association acting pursuant to 12 U.S.C. § 92a  
22 or a Federal savings association 12 U.S.C. § 1464(n), provided  
23 that:

24 (i) the state laws pursuant to which the incorporated  
25 institution is operating provide equivalent privileges to an  
26 incorporated institution chartered by the Commonwealth;

27 (ii) the incorporated institution complies with the  
28 minimum capital requirements of section 1102; and

29 (iii) the incorporated institution provides written  
30 notice to the department at least thirty days prior to the

1 commencement of fiduciary activities, which notice shall be  
2 accompanied by documentation of its authorization to conduct  
3 fiduciary activities issued by the appropriate regulatory  
4 authority of the jurisdiction in which the institution is  
5 chartered or organized, acknowledgment by the appropriate  
6 regulatory authority of the jurisdiction in which the  
7 institution is chartered or organized that equivalent  
8 privileges are provided to incorporated institutions  
9 chartered within this Commonwealth, proof the institution  
10 complies with the minimum capital requirements of section  
11 1102 and a certificate of authority to do business in this  
12 Commonwealth issued by the Department of State pursuant to 15  
13 Pa.C.S. Ch. 41 (relating to foreign business corporations).

14 \* \* \*

15 SECTION 115. BANK AND SAVINGS AND LOAN HOLDING COMPANIES. <—

16 [A] TO THE FULLEST EXTENT AS PERMISSIBLE UNDER FEDERAL LAW  
17 AND REGULATIONS, A BANK HOLDING COMPANY, AS DEFINED BY THE  
18 FEDERAL BANK HOLDING COMPANY ACT (70 STAT. 133, 12 U.S.C. § 1841  
19 ET SEQ.) AND A SAVINGS AND LOAN HOLDING COMPANY, AS DEFINED BY  
20 SECTION 10 OF THE HOME OWNERS LOAN ACT OF 1933 (48 STAT. 128, 12  
21 U.S.C. § 1467A), LOCATED IN THIS COMMONWEALTH, ANOTHER STATE,  
22 THE DISTRICT OF COLUMBIA OR A TERRITORY OR POSSESSION OF THE  
23 UNITED STATES MAY CONTROL ONE OR MORE BANKS, BANK AND TRUST  
24 COMPANIES, NATIONAL BANKS [AND], INTERSTATE BANKS, SAVINGS  
25 BANKS, SAVINGS ASSOCIATIONS, BUILDING AND LOAN ASSOCIATIONS OR  
26 FEDERAL SAVINGS ASSOCIATIONS AND, WITH THE PRIOR WRITTEN  
27 APPROVAL OF THE DEPARTMENT, MAY ACQUIRE CONTROL OF A BANK, BANK  
28 AND TRUST COMPANY [OR], NATIONAL BANK, SAVINGS BANK, SAVINGS  
29 ASSOCIATION, BUILDING AND LOAN ASSOCIATION OR FEDERAL SAVINGS  
30 ASSOCIATION LOCATED IN THIS COMMONWEALTH.

SECTION 3. SECTION 117 OF THE ACT IS REPEALED.

Section ~~3~~ 4. Sections 201 and 202 of the act are amended by adding subsections to read:

Section 201. General Corporate Powers of Incorporated  
Institutions

\* \* \*

(c) Notwithstanding any CONDITIONS, LIMITATIONS, RESTRICTIONS OR other provisions of this act or any other law, in addition to any other power as authorized by this act or other law, an incorporated institution shall have the power:

(i) To engage in any activity permissible for a national banking association, including those activities as authorized by 12 U.S.C. § 24, subject to conditions, limitations and restrictions as may be imposed by the department which shall not be more restrictive than conditions, limitations and restrictions otherwise imposed upon a national banking association;

(ii) To engage in any activity permissible for a Federal savings association, including those activities as authorized by 12 U.S.C. § 1464, subject to conditions, limitations and restrictions as may be imposed by the department which shall not be more restrictive than conditions, limitations and restrictions otherwise imposed upon a Federal savings association;

(iii) To control or hold an interest in a subsidiary that engages in any activity permissible for a national bank to conduct through an operating or financial subsidiary, provided that:

(A) any activity permissible for an operating subsidiary shall be subject to conditions, limitations

1 and restrictions as may be imposed by the department  
2 which shall not be more restrictive than conditions,  
3 limitations and restrictions otherwise imposed upon an  
4 operating subsidiary of a national banking association;  
5 and

6 (B) any activity only permissible for a financial  
7 subsidiary, and not permissible for an operating  
8 subsidiary, shall comply with the requirements of section  
9 121(d) of the Gramm-Leach-Bliley Act (Public Law 106-102,  
10 113 Stat. 1380 et seq);

11 (iv) To control or hold an interest in a subsidiary that  
12 engages in any activity permissible for a subsidiary of a  
13 Federal savings association pursuant to 12 U.S.C. § 1464  
14 subject to conditions, limitations and restrictions as may be  
15 imposed by the department which shall not be more restrictive  
16 than conditions, limitations and restrictions otherwise  
17 imposed upon a subsidiary of a Federal savings association;  
18 or

19 (v) To engage in any activity or to control or hold an  
20 interest in a subsidiary that engages in any activity  
21 determined to be permissible for an insured state bank or the  
22 subsidiary of an insured state bank by the Federal Deposit  
23 Insurance Corporation pursuant to 12 U.S.C. § 1831a subject  
24 to conditions, limitations and restrictions as may be imposed  
25 by the department with respect to the safety and soundness of  
26 the incorporated institution.

27 (d) If an incorporated institution engages in an activity or  
28 holds an interest permissible under more than one clause of  
29 subsection (c), the incorporated institution may elect under  
30 which clause ~~such notice~~ NOTICE AS REQUIRED BY SUBSECTION (E) is <—

1 given and the activity is conducted or the interest is held.

2 (e) Unless earlier approval is granted by the department, an  
3 incorporated institution shall provide at least thirty days  
4 prior written notice to the department before it engages in an  
5 activity or acquires an interest ONLY permissible under <—  
6 subsection (c) OR ENGAGES IN AN ACTIVITY OR ACQUIRES AN INTEREST <—  
7 AS OTHERWISE AUTHORIZED BY THIS ACT SUBJECT ONLY TO CONDITIONS,  
8 LIMITATIONS OR RESTRICTIONS AS PROVIDED BY SUBSECTION (C).

9 During the review period provided by this subsection, the  
10 department may:

11 (i) Request further information concerning any proposed  
12 activity or interest;

13 (ii) Impose any conditions, limitations or restrictions  
14 upon such interests or activities to the extent authorized by  
15 subsection (c); or

16 (iii) Prohibit an incorporated institution from engaging  
17 in an activity or acquiring an interest if to do so would  
18 have a significant adverse impact upon the safety and  
19 soundness of the incorporated institution.

20 Except as otherwise agreed to by an incorporated institution,  
21 the department shall be deemed to have granted approval for an  
22 incorporated institution to engage in an activity or acquire an  
23 interest if within thirty days of receipt of written notice from  
24 an incorporated institution the department does not impose  
25 conditions, limitations or restrictions upon interests or  
26 activities as authorized by subsection (c) or prohibit the  
27 incorporated institution from engaging in an activity or  
28 acquiring an interest authorized by subsection (c).

29 (f) Notwithstanding any other provisions of this act or any  
30 other law, an incorporated institution shall have the same power

1 to engage in fiduciary activities, both within and outside of  
2 this Commonwealth, as a national banking association pursuant to  
3 12 U.S.C. § 92a. The department shall interpret the provisions  
4 of 12 U.S.C. § 92a in a manner consistent with regulations and  
5 interpretations as provided by the Comptroller of the Currency.

6 Section 202. Additional Powers of Incorporated Institutions  
7 Related to Conduct of Business

8 An incorporated institution shall have in addition to other  
9 powers granted by this act or its articles and subject to the  
10 limitations and restrictions contained in this act or in its  
11 articles:

12 \* \* \*

13 (k) Delivery service--the power to pick up from and deliver  
14 to customers cash or other valuables relating to financial  
15 services provided by the incorporated institution using a  
16 contract carrier or employees or affiliates of the incorporated  
17 institution. No separate authorization or approval by the  
18 department shall be required for an incorporated institution to  
19 provide delivery service, provided that the incorporated  
20 institution complies with other laws and regulations applicable  
21 to the provision of delivery service.

22 Section 4 5. Sections 203(d) and 306(d) of the act, amended <—  
23 July 6, 1984 (P.L.621, No.128), are amended to read:

24 Section 203. Additional Powers Related to Conduct of Business  
25 of Incorporated Institutions Other Than Trust  
26 Companies

27 A bank, a bank and trust company and a savings bank shall  
28 have in addition to other powers granted by this act or its  
29 articles and subject to the limitations and restrictions  
30 contained in this act or in its articles:



1 \* \* \*

2 (d) Subsidiaries--in addition to the power to acquire and  
3 hold interests in a subsidiary permissible under section  
4 201(c)(3), (4) and (5), the power to acquire and hold, without  
5 limitation of amount, the stock of subsidiary corporations  
6 engaged in activities permissible for such institution and  
7 activities permissible under the Bank Service Corporation Act  
8 (Public Law 87-856, 12 U.S.C. § 1861 et seq.), [if the shares  
9 are acquired with the prior written approval of the department  
10 and in accordance with the terms and conditions of transfer  
11 prescribed by the department.] subject to any conditions,  
12 limitations and restrictions comparable to those which may be  
13 imposed pursuant to section 201(c)(3), (4) and (5) and to notice  
14 and review as provided by section 201(e).

15 \* \* \*

16 Section 306. Limits on Indebtedness of One Customer (Including  
17 Purchased Paper)

18 \* \* \*

19 (d) Regulation--The department may by regulation not  
20 inconsistent with the provisions of this section and section  
21 1414(b) prescribe definitions of and requirements for  
22 transactions included in or excluded from the indebtedness to  
23 which the fifteen percent limitation of this section applies.

24 \* \* \*

25 Section ~~5~~ 6. Section 310(a) of the act, amended December 21, <—  
26 1988 (P.L.1416, No.173), is amended to read:

27 Section 310. Real Estate Loans

28 (a) Permissible loans; [maximum amount and] term and maximum  
29 amount--An institution may, subject to the requirements of this  
30 section, make or acquire a loan secured by a lien on real estate

1 (including a lease-hold) located in any state or the District of  
2 Columbia, in a dependency or insular possession of the United  
3 States or in the Commonwealth of Puerto Rico[, in an amount and  
4 for a term not to exceed]:

5 (i) in the case of improved real estate, including farm  
6 land for a term not to exceed:

7 (A) [two-thirds of the value for] ten years, if  
8 unamortized, or

9 (B) [four-fifths of the value for thirty] forty  
10 years, if the terms of the loan require substantially  
11 equal payments at successive intervals of not more than  
12 one year each and in an amount sufficient to pay all  
13 principal of and interest on the loan within the term of  
14 the loan, except that a loan to a commercial or  
15 industrial borrower is exempted from the requirement of  
16 substantially equal payments and the date of the initial  
17 payment on a loan to such borrower may be deferred for a  
18 period not in excess of [three] five years from the date  
19 of the loan; or

20 [(C) ninety percent of the value of a one family  
21 residential property for thirty years, in an amount not  
22 to exceed forty thousand dollars (\$40,000), or such  
23 larger amount as the department may permit by regulation,  
24 subject to the same requirements set forth in clause (B);  
25 or

26 (D) ninety-five percent of the value for thirty  
27 years, if that principal portion of the loan in excess of  
28 seventy-five percent of the value is made in reliance  
29 upon a private company mortgage insurance or guarantee  
30 acceptable to the Department of Banking, subject to the

1 same requirements set forth in clause (B); or]

2 (ii) in the case of unimproved real estate to be  
3 acquired or developed with the proceeds of the loan, [three-  
4 fourths of the value for five years.] for a term not to  
5 exceed five years; and

6 (iii) in an amount not to exceed ninety percent of the  
7 value of the loan, except that if the amount of the loan does  
8 not exceed one hundred thousand dollars (\$100,000) or is made  
9 in reliance upon a private mortgage insurance or guarantee  
10 acceptable to the department regardless of the amount of the  
11 loan, then one-hundred percent of the value of the loan.

12 \* \* \*

13 Section ~~6~~ 7. Section 311 of the act is amended by adding  
14 subsections to read:

15 Section 311. Transactions With Respect to Shares of Corporate  
16 Stock and Capital Securities

17 \* \* \*

18 (c.1) Collateral loans with affiliates--An institution may  
19 engage in a covered transaction with an affiliate, including the  
20 acceptance of securities issued by an affiliate as collateral  
21 security for a loan or extension of credit, if the institution  
22 complies with the requirements of 12 U.S.C. § 371c. The  
23 department shall interpret the requirements of 12 U.S.C. § 371c  
24 in a manner consistent with regulations, orders and  
25 interpretations as issued by the Board of Governors of the  
26 Federal Reserve System.

27 \* \* \*

28 (e.1) Transactions with Affiliates--An institution may  
29 engage in a transaction with an affiliate, including the  
30 extension of credit to acquire or hold shares of capital

securities of an affiliate, if the institution complies with the requirements of 12 U.S.C. § 371c-1. The department shall interpret the requirements of 12 U.S.C. § 371c-1 in a manner consistent with regulations, orders and interpretations as issued by the Board of Governors of the Federal Reserve System.

(f) Determination of surplus--For the purposes of this section, an institution may determine its surplus in the same manner as calculated for purposes of satisfying limitations upon the ownership of shares of banks and holding companies as provided by 12 U.S.C. § 24.

Section 7 8. Section 403(g) of the act is repealed. <—

Section 8 9. Section 505(a) of the act, amended December 21, 1988 (P.L.146, No.173), is amended to read: <—

Section 505. Real Estate Loans

(a) Permissible loans; [maximum amount and] term and maximum amount--A savings bank may, subject to the requirements of this section, make or acquire a loan secured by a lien on real estate (including a leasehold) located in any state or the District of Columbia, in a dependency or insular possession of the United States or in the Commonwealth of Puerto Rico[, in an amount and for a term not to exceed]:

(i) in the case of improved real estate, including farm land, for a term not to exceed:

(A) [two-thirds of the value for] ten years, if unamortized[, or three-fourths of the value for five years, if unamortized]; or

(B) [four-fifths of the value for thirty] forty years, if the terms of the loan require payments which are substantially equal except for the last payment at successive intervals of not more than one year each and

1 in an amount sufficient to pay all principal of and  
2 interest on the loan within [thirty years] the term of  
3 the loan, except that a loan to a commercial or  
4 industrial borrower is exempted from the requirement of  
5 substantially equal payments and the date of the initial  
6 payment on a loan to such borrower may be deferred for a  
7 period not in excess of five years from the date of the  
8 loan; or

9 [(C) ninety percent of the value of a one family  
10 residential property for thirty years, in an amount not  
11 to exceed forty thousand dollars (\$40,000), unless the  
12 department by regulation approves the granting of loans  
13 under this subsection in greater amounts, subject to the  
14 same requirements set forth in clause (B); or

15 (D) ninety-five percent of the value for thirty  
16 years, if that portion of the loan in excess of seventy-  
17 five percent of the value is made in reliance upon a  
18 private company mortgage insurance or guarantee  
19 acceptable to the Department of Banking, subject to the  
20 same requirements set forth in clause (B); or]

21 (ii) in the case of unimproved real estate to be  
22 acquired or developed with the proceeds of the loan[, three-  
23 fourths of the value for five years.] for a term not to  
24 exceed five years; and

25 (iii) in an amount not to exceed ninety percent of the  
26 value of the loan, except that if the amount of the loan does  
27 not exceed one hundred thousand dollars (\$100,000) or is made  
28 in reliance upon a private mortgage insurance or guarantee  
29 acceptable to the department regardless of the amount of the  
30 loan, then one hundred percent of the value of the loan.

1 \* \* \*

2 SECTION 10. SECTION 907(C) OF THE ACT, ADDED JULY 6, 1995 <—  
3 (P.L.271, NO.39), IS AMENDED TO READ:

4 SECTION 907. BRANCHES OUTSIDE PENNSYLVANIA

5 \* \* \*

6 (C) AN INSTITUTION MAY MAINTAIN BRANCHES IN ANY OTHER STATE,  
7 THE DISTRICT OF COLUMBIA OR A TERRITORY OR POSSESSION OF THE  
8 UNITED STATES UPON RECEIVING THE PRIOR WRITTEN APPROVAL OF THE  
9 DEPARTMENT AFTER FILING AN APPLICATION AND PAYING A FEE TO THE  
10 DEPARTMENT IN A FORM AND AMOUNT PRESCRIBED BY THE DEPARTMENT,  
11 EXCEPT NO APPROVAL IS REQUIRED FOR NATIONAL BANKS OR FEDERAL  
12 SAVINGS ASSOCIATIONS UNDER THIS SUBSECTION.

13 Section ~~9~~ 11. Section 1003(a) of the act is amended to read: <—  
14 Section 1003. Prohibition of Promoters' Fees

15 (a) Prohibited fees--An institution shall not pay any fee,  
16 compensation or commission for promotion in connection with its  
17 organization or apply any money received on account of shares or  
18 subscriptions for shares to promoters' fees for obtaining  
19 subscriptions, selling shares or other services in connection  
20 with its organization, except legal fees and other usual and  
21 ordinary expenses, including reasonable broker's fees,  
22 commissions and underwriting costs, necessary for its  
23 organization.

24 \* \* \*

25 Section ~~10~~ 12. Section 1407 of the act is amended by adding <—  
26 a subsection to read:

27 Section 1407. Audits and Reports by Directors or Trustees;  
28 Accountants; Internal Auditors

29 \* \* \*

30 (d) Accounting standards--Audits and reports shall be deemed

1 to satisfy the requirements of the section to the extent the  
2 audits and reports conform to accounting standards and  
3 principles applicable pursuant to 12 U.S.C. § 1831n to reports  
4 or statements required to be filed with Federal banking  
5 agencies.

6 Section ~~11~~ 13. Section 1414 of the act, amended April 8, <—  
7 1982 (P.L.262, No.79), is amended to read:

8 Section 1414. Preferential Rates of Interest

9 (a) Preferences prohibited--~~[An]~~ Notwithstanding the  
10 provisions of section 306 and except as provided by subsection  
11 (c), an institution shall not pay to any director, trustee,  
12 executive officer or attorney a higher rate of interest on  
13 deposits than the rate paid to any other depositor on similar  
14 deposits and shall not grant to any such individual a lower rate  
15 of interest on a loan, or a lower rate of charge on an agreement  
16 for the payment of money, than the rate granted to other  
17 customers under similar circumstances.

18 [(b) Limited definition--The term "executive officer" for  
19 the purposes of this section shall be defined by regulation of  
20 the Department of Banking.]

21 (c) Authorized activities--Notwithstanding any other  
22 provision of this act, an institution may extend credit to any  
23 director, trustee, executive officer, attorney or principal  
24 shareholder, or to any related interest of such a person, to the  
25 extent permissible pursuant to 12 U.S.C. §§ 375a and 375b. The  
26 department shall interpret the provisions of 12 U.S.C. §§ 375a  
27 and 375b in a manner consistent with regulations, orders and  
28 interpretations as issued by the Board of Governors of the  
29 Federal Reserve System. A regulation, order or interpretation of  
30 the provisions of 12 U.S.C. §§ 375a and 375b by the Board of

1 Governors of the Federal Reserve System shall take effect for  
2 the purposes of this subsection within thirty days of  
3 promulgation by the Board of Governors, except that the  
4 department may for good cause suspend the application of such  
5 regulation, order or interpretation for up to a one-year period.  
6 Notice of such suspension shall be published by the department  
7 in the Pennsylvania Bulletin. Thereafter the regulation, order  
8 or interpretation shall take effect for the purposes of this  
9 subsection unless the department adopts administrative  
10 regulations setting forth a contrary interpretation of the  
11 provisions of 12 U.S.C. §§ 375a and 375b. A regulation, order or  
12 interpretation of the provisions of 12 U.S.C. §§ 375a and 375b  
13 by the Board of Governors of the Federal Reserve System may take  
14 effect for the purposes of this subsection within less than  
15 thirty days of promulgation by the Board of Governors if  
16 approved by the department.

17 ~~Section 12. Within one year of the effective date of this~~ <—  
18 ~~act, the Legislative Budget and Finance Committee shall report~~  
19 ~~to the General Assembly on the amount of time that elapses from~~  
20 ~~the point that banks or financial institutions in this~~  
21 ~~Commonwealth receive money in the form of cash or checks that~~  
22 ~~are payable to the Commonwealth and the time that it takes for~~  
23 ~~such cash and checks to be credited to the Commonwealth. This~~  
24 ~~report shall also include the amount of possible interest that~~  
25 ~~banks or financial institutions are gaining from such cash and~~  
26 ~~checks.~~

27 Section 13 14. Sections 1415 and 2102(c) of the act are <—  
28 repealed.

29 Section 14. All acts and parts of acts are repealed insofar <—  
30 as they are inconsistent with this act.



1       SECTION 15. (A) THE FOLLOWING ACTS AND PARTS OF ACTS ARE       <—  
2 REPEALED TO THE EXTENT SPECIFIED:  
3       SECTIONS 114 AND 212.1 OF THE ACT OF DECEMBER 14, 1967  
4 (P.L.746, NO.345), KNOWN AS THE SAVINGS ASSOCIATION CODE OF  
5 1967.  
6       (B) ALL OTHER ACTS AND PARTS OF ACTS ARE REPEALED INsofar AS  
7 THEY ARE INCONSISTENT WITH THIS ACT.  
8       Section ~~15~~ 16. This act shall take effect immediately.       <—