



# HOUSE COMMITTEE ON APPROPRIATIONS

## FISCAL NOTE

SENATE BILL NO. 371

PRINTERS NO. 427

PRIME SPONSOR: Brubaker

### COST / (SAVINGS)

FUND	FY 2012/13	FY 2013/14
Banking Fund	\$0	\$0
General Fund	\$0	\$0

**SUMMARY:** Repeals the Savings Association Code of 1967, eliminating provisions for incorporation and organization. The requirements for the existing associations shall take effect immediately with the remainder of the legislation taking effect in one year.

**ANALYSIS:** This legislation repeals the entire savings association statute and requires the remaining savings associations to convert to a different status. The PA Department of Banking and Securities shall not charge a conversion fee for the new application as a result of the legislation.

An existing savings association shall be required to do one of the following within six months of the enactment of the legislation:

- (1) file an application with the Department to convert to a state-chartered savings bank;
- (2) file a notice with the Department that the association has filed an application to convert to a federal savings association; or
- (3) be a party to a merger application filed with the Department or the federal Office of the Comptroller of the Currency whereby the association will be merged with an existing institution regulated by the Department or the federal Office of the Comptroller of the Currency.

**FISCAL IMPACT:** This legislation would have no adverse fiscal impact on Commonwealth funds. There are four remaining savings associations in the Commonwealth, which will still remain subject to the Mutual Thrift Institutions Tax upon conversion to a state savings bank or a federal savings association. The elimination of the statute and conversion of the four remaining associations would allow the Department to become even more efficient.

**PREPARED BY:** Tim Rodrigo  
House Appropriations Committee (R)

**DATE:** June 11, 2013

*Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.*