

No. 1986-119

AN ACT

HB 2180

Amending the act of November 30, 1965 (P.L.847, No.356), entitled "An act relating to and regulating the business of banking and the exercise by corporations of fiduciary powers; affecting persons engaged in the business of banking and corporations exercising fiduciary powers and affiliates of such persons; affecting the shareholders of such persons and the directors, trustees, officers, attorneys and employes of such persons and of the affiliates of such persons; affecting national banks located in the Commonwealth; affecting persons dealing with persons engaged in the business of banking, corporations exercising fiduciary powers and national banks; conferring powers and imposing duties on the Banking Board, on certain departments and officers of the Commonwealth and on courts, prothonotaries, clerks and recorders of deeds; providing penalties; and repealing certain acts and parts of acts," providing for the conversion of associations into savings banks.

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

Section 1. Section 1609(a)(v) of the act of November 30, 1965 (P.L.847, No.356), known as the Banking Code of 1965, amended July 6, 1984 (P.L.606, No.125) and July 6, 1984 (P.L.621, No.128), is amended to read:

Section 1609. Mergers, Consolidations and Conversions of Savings Banks

(a) Authority to merge, consolidate or convert—

* * *

(v) upon compliance with the requirements of this section and other applicable law,

(A) a savings bank may be converted into an association, [or]

(B) a savings bank may be converted into a Federal savings bank or a Federal savings and loan association, subject to the condition that at the time of the transaction the laws of the United States shall authorize a Federal savings bank or a Federal savings and loan association to convert into a savings bank[.], or

(C) *an association may convert to a savings bank. An association whose deposits were insured by the Pennsylvania Savings Association Insurance Corporation prior to conversion may maintain all existing branches operating at the time application for conversion is made if the application is made within ninety days of the effective date of this subclause.*

* * *

Section 2. This act shall take effect immediately.

APPROVED—The 10th day of July, A. D. 1986.

DICK THORNBURGH