

# Bill Summary

**PRIME SPONSOR:** D. White

**BILL NO:** SB1545

**PREPARED BY:** Allison Dutrey

**PRINTER'S NO:** 2232

## **A. Synopsis:**

Senate Bill 1545 creates the Banking-Securities Commission Act.

## **B. Summary:**

This legislation will create the Department of Banking and Securities which will be the result of a merger between the Pennsylvania Securities Commission and the Department of Banking.

The Banking and Securities Commission is established within the Department and will consist of five members (three commissioners, the Secretary of Banking, and the Governor's designee), and a Deputy Secretary for Securities will be appointed by the Department of Banking Secretary. The bill outlines the terms, meetings, quorum, compensation, and expenses of the Commission, and it has the power to be the final adjudicator of administrative proceedings.

This bill also outlines details of establishing the new agency, and allows for transfers to the Department of Banking from the PA Securities Commission. The bill additionally gives the Secretary the duty to prepare an organization plan that will merge staffs.

The bill lists takeover disclosure and states legislation is necessary to provide adequate protection for PA corporations, shareholders, and employees and the public from the use of takeover offers without full and fair disclosure of information concerning them.

Also under the bill, the Banking Department Fund will be the "Banking Fund" and names sources and the use of the Fund. Purchases and leases will be made through the Department of General Services. Restrictions on appropriations are named, warrant of state Treasurer is described, and the institution Resolution Account is established.

The bill also describes registration illegality, registration statement, effect, and hearings. It has sections on information that must be filed with the Department, filing of solicitation materials, exempt transactions and securities, administration, rules, and orders, fees and expenses, injunctions, criminal penalties, civil liabilities, application of corporate takeover law, and application of securities law.