

WISCONSIN LEGISLATIVE COUNCIL STAFF

LCRC
FORM 2

APR 26 1999

RULES CLEARINGHOUSE

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CLEARINGHOUSE REPORT TO AGENCY

[THIS REPORT HAS BEEN PREPARED PURSUANT TO S. 227.15, STATS. THIS IS A REPORT ON A RULE AS ORIGINALLY PROPOSED BY THE AGENCY; THE REPORT MAY NOT REFLECT THE FINAL CONTENT OF THE RULE IN FINAL DRAFT FORM AS IT WILL BE SUBMITTED TO THE LEGISLATURE. THIS REPORT CONSTITUTES A REVIEW OF, BUT NOT APPROVAL OR DISAPPROVAL OF, THE SUBSTANTIVE CONTENT AND TECHNICAL ACCURACY OF THE RULE.]

CLEARINGHOUSE RULE 99-059

AN ORDER to repeal chapter Bkg 6, relating to aggregate investments in bonds and certain other securities.

Submitted by **DEPARTMENT OF FINANCIAL INSTITUTIONS**

03-18-99 RECEIVED BY LEGISLATIVE COUNCIL.

04-15-99 REPORT SENT TO AGENCY.

RS:RW:jal

LEGISLATIVE COUNCIL RULES CLEARINGHOUSE REPORT

This rule has been reviewed by the Rules Clearinghouse. Based on that review, comments are reported as noted below:

1. STATUTORY AUTHORITY [s. 227.15 (2) (a)]

Comment Attached YES NO

2. FORM, STYLE AND PLACEMENT IN ADMINISTRATIVE CODE [s. 227.15 (2) (c)]

Comment Attached YES NO

3. CONFLICT WITH OR DUPLICATION OF EXISTING RULES [s. 227.15 (2) (d)]

Comment Attached YES NO

4. ADEQUACY OF REFERENCES TO RELATED STATUTES, RULES AND FORMS
[s. 227.15 (2) (e)]

Comment Attached YES NO

5. CLARITY, GRAMMAR, PUNCTUATION AND USE OF PLAIN LANGUAGE [s. 227.15 (2) (f)]

Comment Attached YES NO

6. POTENTIAL CONFLICTS WITH, AND COMPARABILITY TO, RELATED FEDERAL
REGULATIONS [s. 227.15 (2) (g)]

Comment Attached YES NO

7. COMPLIANCE WITH PERMIT ACTION DEADLINE REQUIREMENTS [s. 227.15 (2) (h)]

Comment Attached YES NO

PROPOSED RULE
STATE OF WISCONSIN
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF BANKING

Analysis: To repeal DFI—Bkg 6. Statutory authority: Ss. 220.02(2) and 227.11(2), Stats.
Summary: Ch. DFI—Bkg 6 limits the aggregate amount a state bank, trust company bank or mutual savings bank may invest in bonds or any other security issued by the international bank for reconstruction and development or the inter-American development bank to 10% of its capital and surplus of such bank. Ch. DFI—Bkg 6 limits the aggregate amount a state bank, trust company bank or mutual savings bank may invest in general obligation bonds issued by any foreign national government provided such bonds are payable in American funds to 3% of the capital and surplus of such bank. Ch. DFI—Bkg 6 does not apply to bonds and securities of the Canadian government and Canadian provinces, which are payable in American funds. 1995 Wisconsin Act 336 was enacted May 2, 1996 and became effective July 1, 1996. This act repealed and recreated ch. 221, Stats. This represents a total modernization and streamlining of Wisconsin's banking statutes. 1995 Wisconsin Act 336 incorporated the provisions of ch. DFI—Bkg 6 into recreated ch. 221, Stats. under s. 221.0320(4) and 221.0320(5), Stats. Agency person to be contacted for substantive questions and responsible for agency's internal processing: Michael J. Mach, Administrator, Division of Banking, tel. 266-0451.

Section 1. Ch. DFI—Bkg 6 is repealed.

See Def of "Capital" in s. 221.0102(4)