

Senate

CARRIE

## COMMITTEE HEARINGS

### Committee on Privacy, Electronic Commerce and Financial Institutions

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The committee will hold a public hearing and possible executive session on the following items at the time specified below:

Wednesday, March 8, 2000

10:00 AM

State Capitol

Room 330 SW

#### Clearinghouse Rule 99-145

Relating to credit union examinations.

Submitted by the Department of Financial Institutions.

#### Clearinghouse Rule 99-146

Relating to the public inspection and copying of records of the office of credit unions.

Submitted by the Department of Financial Institutions.

#### Senate Bill 379

Relating to: prohibiting the investment board from making certain investments.

By Senator Moore, George, Erpenbach; cosponsored by Representative Morris-Tatum, Miller, Colon, Turner, Pohan, Young, Bock, Coggs, Berceau, Richards, Williams, Riley.

#### Assembly Bill 563

Relating to: the creation of a new type of financial institution; the powers of and requirements applicable to these financial institutions; providing an exemption from emergency rule procedures; and granting rule-making authority.

By Representative Jeskewitz, Rhoades, Kelso, Ward, Riley, F. Lasee, Huebsch, Plale, Jensen, Kestell, Ladwig, Staskunas, Montgomery, Hahn, Spillner, Owens, Ziegelbauer, Vrakas, Gronemus, Stone, Duff, Kedzie, Miller, Hoven, Leibham, Olsen, Hundertmark, Reynolds, Suder, Pettis, Walker, Klusman, Sykora, Grothman, Kreibich, Lassa; cosponsored by Senator Moore, Fitzgerald, Welch, Darling, Rosenzweig, Lazich, Rude, Drzewiecki, Farrow, Zien.

**\*\*An executive session may be held on these or any other items available for action by the committee.\*\***

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Senator Jon Erpenbach  
Chair



**State of Wisconsin**  
*Department of Financial Institutions*

Tommy G. Thompson, Governor

John F. Kundert, Secretary

SENATE COMMITTEE ON PRIVACY, ELECTRONIC COMMERCE  
& FINANCIAL INSTITUTIONS  
March 8, 2000

The Office of Credit Unions, Department of Financial Institutions is proposing that the following rules be repealed:

**Clearinghouse Rule 99-145 (DFI-CU 52)**  
Relating to credit union examinations.

**Rule to be Repealed**

**Current Statutes**

- DFI-CU 52.01 Fees for examinations
- DFI-CU 52.02 Examination procedure
- DFI-CU 52.03 Special examinations (1)
- DFI-CU 52.03 Special examinations (2)
- DFI-CU 52.04 Books and records

- Section 186.235(14), Stats.
- Sections 186.235(16)(17), Stats.
- Sections 186.235(16)(17), Stats.
- Refers to section of statues that has been repealed.
- Sections 186.235(17)(18), Stats.

**Clearinghouse Rule 99-146 (DFI-CU 64)**  
Relating to the public inspection and copying of records of the Office of Credit Unions.

- DFI-CU 64.01 Purpose and intent
- DFI-CU 64.02 Exclusions
- DFI-CU 64.03 Availability on information
- DFI-CU 64.04 Identification of legal custodian  
to handle requests for public records
- DFI-CU 64.05 Cost of records

- Chapter 19, Subchapter II, Stats.
- Section 186.235(7), Stats.
- DFI Open Records Policy
- DFI Open Records Policy
- DFI Open Records Policy

*Office of Credit Unions*

**SENATE HEARING SLIP**

(Please Print Plainly)

DATE: 3-8-00

BILL NO. \_\_\_\_\_

OR

SUBJECT Credit Union

Clearinghouse Rules

Jinger Larson  
(NAME)

345 W Washington  
(Street Address or Route Number)

Madison 53708  
(City and Zip Code)

Office of Credit Unions  
(Representing)

Speaking in Favor:

Speaking Against:

Registering in Favor:  
but not speaking:

Registering Against:  
but not speaking:

Speaking for information  
only; Neither for nor against:

**Please return this slip to a messenger PROMPTLY.**

Senate Sergeant-At-Arms  
State Capitol - B35 South  
P.O.Box 7882  
Madison, WI 53707-7882

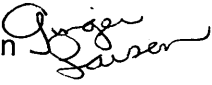
CORRESPONDENCE / MEMORANDUM

STATE OF WISCONSIN  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
*Office of Credit Unions*

**DATE:** February 15, 2000

**TO:** Senator Fred Risser  
President  
Wisconsin State Senate

Representative Scott Jensen  
Speaker  
Wisconsin State Assembly

**FROM:** Ginger Larson   
Director  
Office of Credit Unions

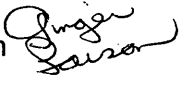
**SUBJECT:** Notice Regarding CR 99-146

Pursuant to s. 227.19(2), Stats., notice is hereby given that CR 99-146 (proposed rule DFI-CU 64) is hereby submitted to the presiding officer of each house of the legislature that CR 99-146 is in final draft form. Pursuant to s. 227.19(3), Stats., the following documentation accompanies this notice: departmental report, analysis and rule, Legislative Council report and fiscal estimate. If you have any questions regarding this matter of the enclosed, please contact me at 261-9543.

**DATE:** February 15, 2000

**TO:** Senator Fred Risser  
President  
Wisconsin State Senate

Representative Scott Jensen  
Speaker  
Wisconsin State Assembly

**FROM:** Ginger Larson   
Director  
Office of Credit Unions

**SUBJECT:** Report on CR 99-146

This report is submitted pursuant to s. 227.19, Stats., regarding CR 99-146 (proposed rule Ch. DFI-CU 64).

1. STATEMENT EXPLAINING THE NEED FOR THE PROPOSED RULE

1995 Wisconsin Act 27 created the Department of Financial Institutions (DFI) on July 1, 1996 and the Office of Credit Unions was attached for administrative efficiency. The General Counsel of the Office of the Secretary serves as the custodian for the public records of the Department of Financial Institutions and the Office of Credit Unions. Chapter 19, Subchapter II Public Records and Property, Stats., outlines procedures and requirements for accessing public records. Ch. DFI-CU 64 outlined the procedures for the public inspection and copying of public records of the Office of Credit Unions and is no longer needed.

2. MODIFICATIONS MADE AS A RESULT OF TESTIMONY RECEIVED AT THE PUBLIC HEARING

No hearing was held pursuant to s. 227.16(2)(e), Stats.

3. PERSONS APPEARING OR REGISTERING FOR OR AGAINST THE PROPOSED RULE AT THE PUBLIC HEARING

No hearing was held pursuant to s. 227.16(2)(e), Stats.

4. RESPONSE TO LEGISLATIVE COUNCIL RECOMMENDATIONS

The recommendation made by the Legislative Council was implemented.

5. FINAL REGULATORY FLEXIBILITY ANALYSIS

Pursuant to s. 227.19(3m), Stats., a final regulatory flexibility analysis is not required.

PROPOSED RULE  
STATE OF WISCONSIN  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
OFFICE OF CREDIT UNIONS

Analysis: To repeal DFI-CU 64. Statutory authority: ss. 186.235(8) and 227.11(2), Stats.

Summary: Ch. DFI-CU 64 outlines procedures for the public inspection and copying of public records of the Office of Credit Unions. 1995 Wisconsin Act 27 created the Department of Financial Institutions (DFI) on July 1, 1996 and the Office of Credit Unions was attached for administrative efficiency. The General Counsel of the Office of the Secretary serves as the custodian for the public records of the Department of Financial Institutions and the Office of Credit Unions. The disclosure of confidential information and records referred to in Ch. DFI-CU 64.02 is addressed in Section 186.235(7), Stats. Chapter 19, Subchapter II Public Records and Property, Stats., outlines procedures and requirements for accessing public records. An Open Records Notice posted in areas accessible by the public provides guidance for accessing the records of the Department of Financial Institutions and the Office of Credit Unions. The repeal of this rule was approved by the Credit Union Review Board pursuant to s. 186.235(8), Stats. Agency person to be contacted for substantive questions and responsible for agency's internal processing: Ginger Larson, Director, Office of Credit Unions, 261-9543.

Section 1. Ch. DFI-CU 64 is repealed.

WISCONSIN LEGISLATIVE COUNCIL STAFF



***RULES CLEARINGHOUSE***

**Ronald Sklansky**  
Director  
(608) 266-1946

**Richard Sweet**  
Assistant Director  
(608) 266-2982



**Jane R. Henkel, Acting Director**  
Legislative Council Staff  
(608) 266-1304

One E. Main St., Ste. 401  
P.O. Box 2536  
Madison, WI 53701-2536  
FAX: (608) 266-3830

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**CLEARINGHOUSE REPORT TO AGENCY**

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[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 99-146**

AN ORDER to repeal chapter DFI-CU 64, relating to the public inspection and copying of records of the office of credit unions.

Submitted by **DEPARTMENT OF FINANCIAL INSTITUTIONS**

10-15-99      RECEIVED BY LEGISLATIVE COUNCIL.  
11-02-99      REPORT SENT TO AGENCY.

RNS:DD:jal;rv





# WISCONSIN LEGISLATIVE COUNCIL STAFF

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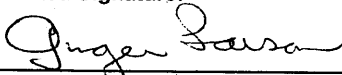
## **CLEARINGHOUSE RULE 99-146**

### **Comments**

**[NOTE: All citations to "Manual" in the comments below are to the Administrative Rules Procedures Manual, prepared by the Revisor of Statutes Bureau and the Legislative Council Staff, dated September 1998.]**

#### **2. Form, Style and Placement in Administrative Code**

Although not indicated in the analysis, it is assumed that the rule has been approved by the Credit Union Review Board, pursuant to s. 186.235 (8), Stats. The analysis should state this.

<b>1999 Session</b>		LRB Number <b>99-146</b>
<b>FISCAL ESTIMATE</b> DOA-2048 N(R06/99)		Bill Number
<input checked="" type="checkbox"/> ORIGINAL <input type="checkbox"/> UPDATED <input type="checkbox"/> CORRECTED <input type="checkbox"/> SUPPLEMENTAL		
<b>Subject</b>  <b>Repeal of Chapter DFI-CU 64, Wisconsin Administrative Code</b>		Amendment No. if Applicable  Administrative Rule Number
<b>Fiscal Effect</b> State: <input checked="" type="checkbox"/> No State Fiscal Effect Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.		
<input type="checkbox"/> Increase Existing Appropriation <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Appropriation <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Create New Appropriation		<input type="checkbox"/> Increase Costs - May be possible to Absorb Within Agency's Budget <input type="checkbox"/> Yes <input type="checkbox"/> No  <input type="checkbox"/> Decrease Costs
Local: <input checked="" type="checkbox"/> No local government costs		
1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenues <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenues <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	5. Types of Local Governmental Units Affected: <input type="checkbox"/> Towns <input type="checkbox"/> Villages <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others _____ <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
<b>Fund Sources Affected</b> <input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEG-S		<b>Affected Chapter 20 Appropriations</b>
<b>Assumptions Used in Arriving at Fiscal Estimate</b>  <p>The proposed repeal of DFI-CU 64 is the result of the creation of the Department of Financial Institutions and the attachment of the Office of Credit Unions for administrative efficiency. The DFI Office of the Secretary serves as the custodian for the public records of the Office of Credit Unions. The repeal of DFI-CU 64 has no effect on government expenditures at any level.</p>		
<b>Long-Range Fiscal Implications</b> <b>None</b>		
<b>Prepared by:</b> <b>Ginger Larson</b>	<b>Telephone No.</b> <b>266-8893</b>	<b>Agency</b> <b>DFI-OCU</b>
<b>Authorized Signature:</b> 	<b>Telephone No.</b> <b>266-8893</b>	<b>Date</b> <b>11-15-99</b>

**FISCAL ESTIMATE WORKSHEET**

1999 Session

Detailed Estimate of Annual Fiscal Effect  
DOA-2047 (R06/99)

LRB Number <b>99-146</b>	Amendment No. if Applicable
Bill Number	Administrative Rule Number

ORIGINAL       UPDATED  
 CORRECTED       SUPPLEMENTAL

Subject

**Repeal of Chapter DFI-CU 64, Wisconsin Administrative Code**

I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):

0

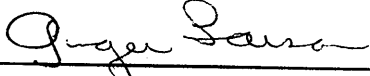
II. Annualized Costs:		Annualized Fiscal impact on State funds from:	
		Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>			
State Operations - Salaries and Fringes		\$ 0	\$ -0
(FTE Position Changes)		(0 FTE)	(-0 FTE)
State Operations - Other Costs		0	-0
Local Assistance		0	-0
Aids to Individuals or Organizations		0	-0
TOTAL State Costs by Category		\$ 0	\$ -0
<b>B. State Costs by Source of Funds</b>			
GPR		\$ 0	\$ -0
FED		0	-0
PRO/PRS		0	-0
SEG/SEG-S		0	-0
<b>State Revenues</b>	Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)	<b>Increased Rev.</b>	<b>Decreased Rev.</b>
GPR Taxes		\$ -	\$ -
GPR Earned		-	-
FED		-	-
PRO/PRS		-	-
SEG/SEG-S		-	-
TOTAL State Revenues		\$ -	\$ -

**NET ANNUALIZED FISCAL IMPACT**

STATE

LOCAL

NET CHANGE IN COSTS      \$ \_\_\_\_\_ 0      \$ \_\_\_\_\_ 0  
NET CHANGE IN REVENUES      \$ \_\_\_\_\_ 0      \$ \_\_\_\_\_ 0

Prepared by: <b>Ginger Larson</b>	Telephone No. <b>266-8893</b>	Agency <b>DFI-OCU</b>
Authorized Signature: 	Telephone No. <b>266-8898</b>	Date <b>11-15-99</b>