



The State of Wisconsin

STATE BANKING DEPARTMENT

ROOM 900 STATE OFFICE BUILDING

ONE WEST WILSON STREET

MADISON 2, WISCONSIN

March 15, 1956

G. M. MATTHEWS
COMMISSIONER OF BANKS

WM. E. NUESSE
DEPUTY COMMISSIONER OF BANKS

Bkg 12

Mr. James J. Burke
Revisor of Statutes
State Capitol
Madison 2, Wisconsin

Dear Mr. Burke:

We are enclosing for filing in your Department certified copy of the newly created Chapter 12 to the Wisconsin Administrative Code, Banking Department, relating to the Indian Loan Funds, which becomes effective April 1, 1956.

Please return the receipted copy of this letter for our files. Thank you.

Very truly yours,

A handwritten signature in cursive script, appearing to read 'G. M. Matthews'.

G. M. Matthews
Commissioner of Banks

GMM:W
Enc.



STATE OF WISCONSIN)
) SS
DEPARTMENT OF BANKING)

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, G. M. Matthews, Commissioner of Banks of Wisconsin, and custodian of the official records of said Department, do hereby certify that the annexed Chapter 12 to rules and regulations, relating to the Indian Loan Funds, was created pursuant to authority vested in the commissioner of banks by section 224.10 (2)(b), Wis. Stats., with the approval of the Banking Review Board, after a public hearing duly held on March 12, 1956, in compliance with Sections 227.02, 227.021 and 227.022, Wis. Stats., and is to be effective April 1, 1956.

I further certify that said copy has been compared by me with the original on file in this Department and that the same is a true copy thereof, and of the whole of such original.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal. Done at the State Office Building, in the City of Madison, this 15th day of March, 1956.



Commissioner of Banks

ORDER OF THE BANKING DEPARTMENT

ADOPTING RULES

Pursuant to authority vested in the commissioner of banks by Section 224.10 (2)(b), Wis. Stats., the commissioner of banks, with the approval of the banking review board, after a public hearing duly held on March 12, 1956, in compliance with Sections 227.02, 227.021 and 227.022, Wis. Stats., hereby adopts rules as follows:

Sections Bkg. 12.01 to Bkg. 12.11 inclusive of the Wisconsin administrative code are adopted to read:

Bkg. 12.01 Purpose of Rules. These rules are established for the administration of Indian loan funds. They shall apply to all tribal funds, including any outstanding loan accounts and accruals thereto, which are transferred to the custody of any tribe for credit purposes by the United States.

Bkg. 12.02 Depository. (1) The tribal loan funds shall be deposited in banks approved as depositories by the tribal board of trustees and by the commissioner of banks.

(2) All disbursements from a bank account shall be by check over the signature of an officer authorized by the board of trustees to make withdrawals.

Bkg. 12.03 Eligibility for loans. (1) Loans may be made only to members of the tribe whose names appear on its official roll.

(2) Loans may be made to officers of the tribe and to members of the board of trustees provided that any said officer or member shall not participate in acting upon his own loan application or upon any application in which he shall be an interested party.

Bkg. 12.04 Purpose of loans. (1) Loans may be made for any purpose which will serve to promote the economic welfare of the borrower.

(2) All applications for loans shall be made in writing on forms prescribed by the board of trustees, showing the purpose for which the loan is requested, the date, name of applicant, amount asked for, security offered and the proposed method of repayment.

(3) The board of trustees shall have sole authority to approve or disapprove all loan applications.

P. 2 Order of the Banking Department

Bkg. 12.05 Interest rates. It shall be the objective of the board of trustees to make loans at a reasonable rate of interest, bearing in mind that income therefrom should be sufficient to cover normal costs of operation including losses on loans, but in no case shall the rate of interest or charge on a loan exceed 10 per cent simple interest per annum.

Bkg. 12.06 Evidence of debt. Each loan shall be evidenced by a promissory note in a form approved by the board of trustees.

Bkg. 12.07 Security for loans. (1) The board of trustees shall have authority to grant unsecured credit to any one borrower in an amount not exceeding \$200.00; loans in excess of this amount shall be secured in such manner as the board shall approve.

(2) All mortgages shall be filed or recorded in accordance with the laws of the State of Wisconsin and all releases and satisfactions shall likewise be made a matter of record.

Bkg. 12.08 Repayment of loans. (1) Loans shall be scheduled for repayment at such times as the borrower normally will have income with which to make the payments.

(2) The maturity date of any loan shall not exceed one year, except in the case of loans made for the purchase or construction of homes, the purchase of land, or loans guaranteed or insured under provisions of the Servicemen's Readjustment Act of 1944 and amendments thereto.

Bkg. 12.09 Loan limitations. The total liability of any one borrower to the Indian loan fund shall at no time exceed \$5,500.00, except that excess funds not required to meet the demand for loans by members of the tribe may be invested in direct obligations of the United States maturing in not to exceed ten years from date of purchase.

Bkg. 12.10 Records. Such books and records shall be installed and maintained as shall be approved by the commissioner of banks. If at any time the commissioner shall deem the books and records to be insufficient to adequately reflect the operations of the loan fund he may direct the installation and maintenance of such additional books and records as he shall decide are necessary.

Bkg. 12.11 Fidelity Bond for officers and employees. (1) As a condition precedent to commencing operations of the Indian loan fund the board of trustees shall obtain a blanket surety bond issued by a responsible surety corporation licensed to do business in this state, in such adequate sum as shall be approved by the board of trustees and by the commissioner of banks. The bond shall protect the tribe against any loss by reason of any act or acts of fraud, dishonesty, embezzlement, wrongful abstraction, or wilful misapplication of funds by the officer and employees employed in the operations of the Indian loan fund.

P. 3 Order of the Banking Department

(2) The bond shall be in a form approved by the commissioner of banks and shall be filed in the office of the commissioner.

The rules contained herein shall take effect on April 1, 1956, as provided in section 227.026 (1), Wis. Stats.

Dated: March 15, 1956.

STATE BANKING DEPARTMENT

By



Commissioner of Banks

(S E A L)

The State of Wisconsin

STATE BANKING DEPARTMENT

ROOM 900 STATE OFFICE BUILDING

ONE WEST WILSON STREET

MADISON 2, WISCONSIN

DIVISION OF CONSUMER CREDIT

JOHN F. DOYLE
SUPERVISOR

G. M. MATTHEWS
COMMISSIONER OF BANKS

WM. E. NUESSE
DEPUTY COMMISSIONER OF BANKS

March 8, 1956

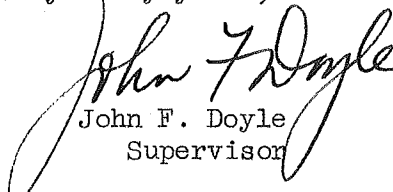
Mr. James J. Burke, Executive Secretary
Committee for Review of Administrative Rules
Revisor of Statutes
Capitol 321 Northeast
Madison 2, Wisconsin

Dear Mr. Burke:

We have your letter of March 2 in which you advise us that the Committee for Review of Administrative Rules suggested that our department issue a new rule and regulation relative to the restriction we have had in previous years of granting licenses to individuals who contemplated conducting the collection agency business from their home.

We have just completed printing our revised rules and regulations and will make the change they suggested as soon as possible. In the interim we will ^{not} continue our previous policy in effect.

Very truly yours,


John F. Doyle
Supervisor

NOTICE OF HEARING

NOTICE IS HEREBY GIVEN that the Commissioner of Banks for the State of Wisconsin will conduct a public hearing at 2:00 P. M. on Monday, March 12, 1956, at the office of the Commissioner, in the State Office Building, One West Wilson Street, Madison, Wisconsin, to establish rules governing the management and operation of Indian loan funds pursuant to the provisions of section 224.10 (2)(b).

Said rules shall establish the purposes for which loans may be made, permissible interest rates and fees, security requirements, time and manner of repayment, general procedures to be followed in making loans, action to be taken in the event borrowers default on loans, maximum amount which may be loaned to any one borrower, the manner in which monies in said funds shall be deposited and invested, records to be maintained, and the bond requirements of any member or employe authorized to receipt for or disburse Indian loan funds.

Dated at Madison, Wisconsin, this 20th day of February, 1956.



G. M. Matthews
Commissioner of Banks

WISCONSIN ADMINISTRATIVE CODE

BANKING DEPARTMENT

To create Chapter 12, Departmental Rules, relating to the supervision of Indian loan funds.

Pursuant to the provisions of Section 224.10, Wisconsin Statutes, the Commissioner of Banks, with the approval of the Banking Review Board, does establish the following rules:

Bkg 12.01 Purpose of Rules. These rules are established for the administration of Indian loan funds. They shall apply to all tribal funds, including any outstanding loan accounts and accruals thereto, which are transferred to the custody of any tribe for credit purposes by the United States.

Bkg 12.02 Depository. (1) The tribal loan funds shall be deposited in banks approved as depositories by the tribal board of trustees and by the commissioner of banks.

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(3) The board of trustees shall have sole authority to approve or disapprove all loan applications.

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(2) The maturity date of any loan shall not exceed one year, except in the case of loans made for the purchase or construction of homes, the purchase of land, or loans guaranteed or insured under provisions of the Servicemen's Readjustment Act of 1944 and amendments thereto.

Bkg 12.09 Loan limitations. The total liability of any one borrower to the Indian loan fund shall at no time exceed \$5500.00, except that excess funds not required to meet the demand for loans by members of the tribe may be invested in direct obligations of the United States maturing in not to exceed ten years from date of purchase.

Bkg 12.10 Records. Such books and records shall be installed and maintained as shall be approved by the commissioner of banks. If at any time the commissioner shall deem the books and records to be insufficient to adequately reflect the operations of the loan fund he may direct the installation and maintenance of such additional books and records as he shall decide are necessary.

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(2) The bond shall be in a form approved by the commissioner of banks and shall be filed in the office of the commissioner.