

PETITION AND PROPOSED RULE ORDER REPEALING UNAUTHORIZED RULES

Pursuant to s. 227.26(4)(b)1., Stats., the Wisconsin Department of Financial Institutions submits to the Legislative Council for its review this petition and proposed order to repeal rules the agency has to determined are unauthorized. These rules are ss. DFI-CCS 6.06 and DFI-SL 13.04, and ch. DFI-SB 4, relating to bulk transfers, variable rate loan indexes and annual audits respectively. The agency also submits this petition and proposed order to the Legislative Reference Bureau for publication in the *Administrative Register*. The agency is petitioning the joint committee for review of administrative rules to use the process under s. 227.26(4), Stats., to repeal rules the agency has determined to be unauthorized.

ANALYSIS

1. Statutes Interpreted. The following chapter and sections have been repealed:

- a. Chapter 406, Stats.
- b. Section 138.056 (1) (a) 4. a., Stats.
- c. Section 214.76(5)(b), Stats.

Statutory Authority. The following sections authorized the department to promulgate rules regarding the repealed chapter and sections:

- a. Section 409.526(1), Stats.
- b. Section 215.02(7), Stats.
- c. Section 214.715, Stats.

Related Statutes or Rules. The following rules were promulgated regarding the repealed chapter and sections:

- a. Section DFI-CCS 6.06.
- b. Section DFI-SL 13.04.
- c. Chapter DFI-SB 4.

Explanation of Agencies Authority to Promulgate the Rule. The statutes authorizing the department to promulgate rules regarding the repealed chapter and sections read as follows:

- a. Section 409.526(1), Stats., directs the department to promulgate filing-office rules regarding secured transactions under the Uniform Commercial Code.
 - b. Section 215.02(7), Stats., directs the department to promulgate rules for conducting business as a savings and loan association.
 - c. Section 214.715, Stats., directs the department to promulgate rules regarding the regulation of savings banks.
- 2. Summary of Rule.** The following acts repealed the sections and chapter for which the department promulgated the rules:
- a. 2009 WI Act 110 repealed the bulk transfer provisions of ch. 406, Stats. Section DFI-CCS 6.06 relates to making UCC filings that are no longer submitted to or accepted by the department because of the repeal of ch. 406, Stats.
 - b. 2003 WI Act 33 repealed s. 138.056 (1) (a) 4. a., Stats., relating to a variable rate loan index approved by the division of savings institutions. Section DFI-SL 13.04 was promulgated to implement s. 138.056(1)(a)4.a., Stats.
 - c. 2011 WI Act 182 repealed s. 214.76, Stats., relating to annual audits. Chapter DFI-SB 4 was promulgated to implement the requirements of now repealed s. 214.76(5)(b), Stats.
- 3. Agency Contact person:** Mark Schlei, mark.schlei@wisconsin.gov, (608) 267-1705.
- 4. Proposed Rule.** Because of the repeal of the statutes for which the following rules were promulgated, these rules are unauthorized and should be repealed:

SECTION 1. Section DFI-CCS 6.06 is repealed.

SECTION 2. Section DFI-SL 13.04 is repealed.

SECTION 3. Chapter DFI-SB 4 is repealed.

Effective date: This rules repealed in this order shall take effect on the first day of the month following publication in the *Administrative Register*, pursuant to s. 227.22(2)(intro.), Stats.

Dated: _____

Agency: _____
Mark Schlei
Deputy Chief Legal Counsel
Department of Financial Institutions