

of Wisconsin, or for shipment or sale by a brewer to a bottler or sales company, unless the proper stamps shall be affixed to each barrel, keg, case or other container in which such fermented malt beverages or light wines shall be packed.

SECTION 5. This act shall take effect upon passage and publication.

Approved July 7, 1933.

No 914, A.]

[Published July 8, 1933.

CHAPTER 362.

AN ACT to amend the introductory paragraph of section 20.53, subsection (8) of section 215.33, subsection (4) of section 220.04, subsection (6) of section 220.05, paragraph (b) of subsection (16) and subsections (17) and (20) of section 220.07, subsections (7) and (15a) of section 220.08, subsection (4) of section 220.20, and the introductory paragraph of subsection (1) of section 221.255, and to create subsection (4) of section 215.36, subsection (5) of section 220.04, paragraph (c) of subsection (16) of section 220.07 and subsection (3m) of section 220.08 of the statutes, relating to the banking department, regulation of banks, and making an appropriation.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. The introductory paragraph of section 20.53 (amended by chapter 15, laws of special session 1931-1932), subsection (8) of section 215.33, subsection (4) of section 220.04 (amended by chapter 6, laws of 1933), subsection (6) of section 220.05 (amended by chapter 10, laws of special session 1931-1932), paragraph (b) of subsection (16) (created by chapter 6, laws of 1933) and subsections (17) (amended by chapter 6, laws of 1933) and (20) (created by chapter 17, laws of 1933) of section 220.07, subsections (7) and (15a) of section 220.08, subsection (4) of section 220.20 (created by chapter 30, laws of 1933) and the introductory paragraph of subsection (1) of section 221.255 of the statutes are amended to read: (20.53) (Introductory paragraph, as amended in chapter 15, laws special session 1931) There is appropriated from the general fund to the state banking department for the execution of its functions, * * * annually, * * * one hundred and eighty-five thousand dollars *and in addition thereto all receipts under subsections*

(2) and (5) of section 115.09, subsection (5) of section 220.04, sections 220.08 and 214.02, subsection (8) of section 215.33, paragraph (c) of subsection (16) of section 220.07, and section 221.26. Of this there is to be allotted:

(215.33) (8) The compensation of the special deputy supervisors, counsel and other employes and assistants, and all expenses of supervision and liquidation, shall be fixed by the commissioner of banking, subject to the approval of the circuit court for the county in which such building and loan association is located, on notice to such building and loan association, and shall upon the certificate of the commissioner of banking to be paid out of the funds of such building and loan association in the hands of the commissioner of banking. *Expenses of supervision and liquidation shall include the cost of the service rendered by the building and loan division of the banking department to the building and loan association being liquidated and shall be determined from time to time by the commissioner and shall be paid to the banking department from the assets of the building and loan association as other expenses of liquidation are paid.* The moneys collected by the commissioner of banking shall be from time to time deposited in one or more state banks, and, in case of the suspension or insolvency of the depository, such deposits shall be preferred before all other deposits.

(220.04) (4) Whenever the commissioner of banking is of the opinion that the loaning, investing or other banking policies or practices of any officer or director of any bank have been prejudicial to the best interests of such bank or its depositors, or that such policies or practices, if put into operation or continued, will endanger the safety or solvency of said bank or impair the interests of its depositors, the commissioner may, with the approval of the banking review board, request the removal of such officer or director. *Such request shall be served on the bank and on such officer or director in the manner provided by law for serving a summons in a court of record or shall be transmitted to said bank and officer or director by registered mail with return receipt requested.* If such request for removal is not complied with within a reasonable time fixed by the commissioner he may by order, with like approval of the banking review board, remove such officer or director, *but no order of removal shall be entered until after an opportunity for hearing before the banking review board is given to such officer or director upon not less than ten days' notice.*

* * * *An order of removal shall take effect * * * as of the date issued.* A copy of such order shall be served upon the bank and upon such officer or director in the manner provided by law for service of a summons in a court of record or by mailing such copy to such bank or officer or director at his last known post office address. Any removal under this subsection shall be effective in all respects the same as if made by the board of directors or stockholders of said bank. Any officer or director removed from office under the provisions of this subsection shall not be re-elected as an officer or director of any bank without the approval of the commissioner of banking and the banking review board. *An order of removal under this subsection shall be deemed a final order or determination of the banking review board within the meaning and contemplation of subsection (3) of section 220.035.*

(220.05) (6) After January 15, 1932, any bank or trust company holding any property in trust or in any fiduciary capacity or as custodian or bailee shall pay in addition to said fees assessments provided for in subsections (2), (3) and (4) of this section the actual reasonable cost of any and all examinations (whether or not they are in excess of two in any one year) conducted by the banking department of the books, records and business of said bank or trust company in so far as they relate to said property held in trust or other fiduciary capacity, or as custodian or bailee, said cost to include a fair charge for time of assistants and office overhead and to be determined by the commissioner of banking within a reasonable time after each said examination has been completed. A statement of such charge shall be promptly sent to said bank or trust company. Each such bank or trust company shall pay such charge within ten days after receipt of such statement. Said cost shall include the cost of furnishing copy to the bank or trust company. * * * If an examination or part thereof is charged and fully paid for under the provisions of subsection (4) of this section such examination or part thereof shall not be again charged for under provisions of this subsection.

(220.07) (16) (b) Whenever the banking review board shall determine that an emergency exists in the affairs of any bank which, if allowed to continue, will adversely affect the depositors and creditors of such bank, it may direct that such bank be closed, or if it is satisfied that the interests of the creditors and of the community at large will be better served by a stabilization and readjustment agreement between such bank and its creditors, it

may enter an order served upon the bank providing that pending the submission to and acceptance by such creditors of such stabilization and readjustment agreement, the then existing assets of such bank shall be segregated for the benefit of its then depositors and creditors. The order may further provide that such bank shall have the right to accept new deposits, but all new deposits so received, after such order has been served and until a stabilization and readjustment agreement shall have been entered into and approved by the banking review board, as provided in this chapter, must be segregated and kept apart from any other funds or assets of such bank for the exclusive benefit of the new depositors. They shall be subject to withdrawal by the depositors making the same. Such new deposits shall be held either in cash, * * * on deposit in correspondent banks, *United States government bonds, or such other investments of such amounts as may be approved by the commissioner of banking.* They shall in no event be invested *except as herein provided.* If a stabilization and readjustment agreement shall fail of acceptance by the creditors or the approval of the banking review board, all new segregated deposits as herein provided shall be promptly paid back to the depositors making the same.

(17) In the readjustment and rehabilitation of the affairs of any bank operating under a stabilization and readjustment agreement, the deposit account of any depositor shall apply as an offset on his loan account *and the deposit account of a stockholder shall apply as an offset on the voluntary assessment levied against him,* but the amount of such offset *in each case* shall not exceed the proportion that the assets of said bank other than those covered by any trust agreement bear to the total assets.

(20) Whenever a stabilization and readjustment agreement entered into between any bank and the depositors and unsecured creditors of such bank has been approved by the commissioner of banking, the double liability provided by section 221.42 shall forthwith become due and the payment thereof by the stockholders of such bank shall be enforced by the commissioner of banking in the manner provided by said section 221.42 *or in some other manner as he may deem advisable.* All proceeds therefrom shall be for the benefit of the depositors and unsecured creditors existing at the time of the approval of such stabilization and readjustment agreement by the commissioner of banking. Any stockholder who has fully paid a voluntary assessment levied against him under any

such agreement shall, upon the unconditional surrender of his stock to said bank, be relieved from all further liability thereon. Whenever an assessment levied against any stockholder under such agreement has been fully paid, such stockholder shall not be subject to any further or additional assessment for one year after the date of such payment.

(220.08) (7) The compensation of the special deputy commissioners, counsel, and other employes and assistants, and all expenses of supervision and liquidation, shall be fixed by the commissioner subject to the approval of the circuit court for the county in which such bank or banking corporation is located, on notice of such bank or banking corporation, and shall upon the certificate of the commissioner be paid out of the funds of such bank or banking corporation in the hands of the commissioner. *Expenses of supervision and liquidation shall include the cost of the service rendered by the liquidation division of the banking department to the bank or banking corporation being liquidated and the commissioner shall from time to time determine what such cost is and the same shall be paid to the banking department as other expenses of liquidation are paid.* The moneys collected by the commissioner shall be from time to time deposited in one or more state banks, and, in case of the suspension or insolvency of the depository, such deposits shall be preferred before all other deposits.

(15a) Whenever it shall appear to the commissioner of banking that the books and records of any liquidated bank or banking corporation are no longer required by him, he may * * * *make application to the circuit court having jurisdiction of such liquidated bank or banking corporation for an order determining what books and records are to be kept and what destroyed, stating in such application his recommendations thereon. Said circuit court shall thereupon enter an order determining what books and records shall be kept and what shall be destroyed. The books and records ordered preserved shall be delivered to the clerk of such court to be kept by him until further order of the court.*

(220.20) (4) The commissioner of banking shall forthwith take possession of the property and business of any bank or trust company which shall fail to redeem at par any scrip which it has issued and distributed after the banking review board shall have declared the emergency requiring the issuance of such scrip to have ended. Upon taking possession of such bank, the commissioner shall liquidate its business and property, as provided in sec-

tion 220.08. All assets of such defaulting bank not pledged prior to the issuance of such scrip, shall be subject to a first lien for the redemption thereof, *but the commissioner of banking, with the approval of the banking review board, may release such assets from such lien when in his judgment such action will be in the best interests of the depositors, without injury to the holders of the scrip issued by the bank.*

(221.255) (1) (Introductory paragraph) (Created in chapter 8, Laws of 1933) Until July 1, 1935, with the approval of the banking review board, any bank may establish a receiving *and paying* station to replace an existing bank or a bank that has closed or ceased to do business since July 1, 1929, and in place of which no new bank or receiving *and paying* station has been opened, provided that:

SECTION 2. A new subsection is added to section 215.36 (created by chapter 23, laws special session 1931-1932), a new subsection is added to section 220.04, a new paragraph is added to subsection (16) of section 220.07 (renumbered and created by chapter 6, laws of 1933), and a new subsection is added to section 220.08 of the statutes to read: (215.36) (4) Any association so liquidating shall be subject to the provision of sections 215.312 and 215.32 in the same manner as an association in actual operation.

(220.04) (5) The commissioner of banking in connection with the liquidation of any bank, banking corporation or building and loan association or when called upon to approve any plan of reorganization and stabilization of any bank, banking corporation or building and loan association or when he is satisfied the interests of the depositors and creditors in assets held under any trust arrangement so require in connection with the reorganization and stabilization of any bank, banking corporation or building and loan association, may cause such bank, banking corporation or building and loan association or such trust to be audited. The expense of such audit shall, upon the certificate of the commissioner, be refunded forthwith to the banking department by such bank, banking corporation, building and loan association or the trustee or trustees of such trust fund out of the assets of such bank, banking corporation, building and loan association or trust. Such charges shall be a preferred claim against such assets until paid.

(220.07) (16) (c) The cost of the service rendered by the banking department to any bank or banking corporation in stabil-

izing and readjusting the banking structure of such bank or banking corporation as provided in paragraph (a) and (b) of this subsection, shall be determined from time to time by the banking commissioner and shall be paid out of the assets of such bank or banking corporation upon such commissioner's certificate. Such charge shall be a preferred claim against such assets until paid.

(220.08) (3m) The deposit account in any such bank or banking corporation of any stockholder thereof shall not apply as an offset on the double liability imposed upon such stockholder under section 221.42.

SECTION 3. This act shall take effect upon passage and publication.

Approved July 7, 1933.

No. 922, A.]

[Published July 8, 1933.

CHAPTER 363.

AN ACT to repeal subsection (5) of section 2 of chapter 29, laws of the special session of 1931-1932, to raise revenues for emergency relief purposes, to provide for their administration, and making appropriations.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. Subsection (5) of section 2 of chapter 29, laws of the special session of 1931-1932, is repealed.

SECTION 2. EMERGENCY RELIEF TAX ON INCOMES. (1) To provide revenues for relief purposes there is levied and there shall be assessed, collected, and paid, in addition to all other income taxes, an emergency tax upon the net incomes of all persons other than corporations in the calendar year 1932 or corresponding fiscal year at the following rates:

(a) On the first one thousand dollars of taxable income or any part thereof, at the rate of one per cent.

(b) On the second one thousand dollars or any part thereof, one and one-fourth per cent.

(c) On the third one thousand dollars or any part thereof, one and one-half per cent.

(d) On the fourth one thousand dollars or any part thereof, two per cent.

(e) On the fifth one thousand dollars or any part thereof, two and one-half per cent.