

1975 Senate Bill 585

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CHAPTER 345, Laws of 1975

AN ACT to amend 186.015 (3) (d), 186.08 (intro.), 186.09 (10), 186.113 (12), 186.17 (1) and 186.26 (2); to repeal and recreate 186.28; and to create 186.27 of the statutes, relating to various changes in the credit union laws.

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

SECTION 1. 186.015 (3) (d) of the statutes is amended to read:

186.015 (3) (d) ~~Each member of the board and all employes of the board, with respect to the disclosure of information concerning credit unions, shall be subject to the same requirements and penalties as the commissioner.~~ Three members shall constitute a quorum and a majority vote of those present shall decide. No member of such board shall be qualified to act in any matter involving a credit union in which he is an officer, director or stockholder, or to which he is indebted.

SECTION 2. 186.08 (intro.) of the statutes is amended to read:

186.08 (intro.) **Officers, management.** At their first meeting the board of directors shall elect from their number a chairman or a president, a vice chairman or a vice president, a secretary and a treasurer, who shall be the executive officers of the credit union, except that if a chairman and a vice chairman are elected, the board may appoint a president and a vice president, or a general manager, who need not be board members and shall serve as executive officers of the credit union. The board of directors shall have the general management of the affairs, funds and records of the credit union, and shall meet as often as may be necessary. It shall be their special duty:

SECTION 3. 186.09 (10) of the statutes is amended to read:

186.09 (10) Loans to members secured by mortgages on real estate may be made subject to the rules prescribed by the commissioner. Such loans may provide for additional advances, but any additional advance made to a member, if the mortgage and mortgage note so provide, may not exceed an amount specified in the mortgage.

SECTION 4. 186.113 (12) of the statutes is amended to read:

186.113 (12) Conduct elections by mail ballot which shall be ~~signed by the member and~~ valid only for the meeting designated.

SECTION 5. 186.17 (1) of the statutes is amended to read:

186.17 (1) The regular reserve of a credit union shall be based on risk assets and the formula for transfer to the reserve is at the rate of 10% of gross income until such time as the reserve fund reaches 5% of risk assets; then the formula is decreased to 7% of gross income until such time as the reserve fund reaches 6% of risk assets; and then the formula is decreased to 5% of gross income until the reserve fund attains a maximum of 7% of risk assets. Subsequent transfers are required only to maintain 7% maximum. Such reserves shall belong to the credit union and shall be held to meet contingencies or losses in its business.

SECTION 6. 186.26 (2) of the statutes is amended to read:

186.26 (2) If records are located outside this state, at the option of the commissioner, the credit union shall either make such records available to the commissioner at a convenient location within this state or pay the reasonable and necessary expenses for the commissioner or his examiners to examine such records at the place where they are maintained. The commissioner may designate examiners, including comparable officials of the state in which the records are located, to inspect them on his behalf. The maintenance of any office or branch outside this state, ~~or membership in a credit union operating under this chapter by a nonresident who is not employed in this state,~~ is not allowed under this chapter.

SECTION 7. 186.27 of the statutes is created to read:

186.27 Disclosure of information. The commissioner, all other officers and employes of the office, and members of the review board shall keep secret all the facts and information obtained in the course of examinations, except:

(1) So far as the public duty of such person requires him to report upon or take special action regarding the affairs of any credit union; or

(2) When called as a witness in any criminal proceeding or trial in a court of justice.

SECTION 8. 186.28 of the statutes is repealed and recreated to read:

186.28 Bookkeeping; forfeiture for failure to obey commissioner. (1) A credit union shall open and keep accurate and convenient records of its transactions and accounts. If the commissioner determines that a credit union does not keep its books and accounts in a manner which enables him to readily ascertain the true condition of the credit union, he may require any officer of the credit union to open and keep such books or accounts as he may prescribe in order to remedy the deficiency.

(2) Any credit union that refuses or neglects to maintain books or accounts in the manner prescribed under sub. (1) shall be subject, upon written notification of the commissioner, to a forfeiture not to exceed \$10 for each day it is in violation. If any credit union fails or refuses to pay the forfeiture, the commissioner may institute proceedings to enforce its collection.
