

1989 Assembly Bill 753

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# 1989 WISCONSIN ACT 180

AN ACT *to repeal* 221.04 (1) (i), (im), (ir) and (j), 221.04 (1) (jm) 1m, 221.04 (1) (m), 221.04 (4g), 221.14 (4) (b) and 221.14 (4m); *to renumber and amend* 221.14 (4) (a); *to amend* 221.04 (1) (f), 221.04 (1) (k) 1, 221.04 (1) (L), 221.04 (1) (p), 221.04 (1) (q), 221.12, 221.14 (4s), 222.21 (1) (a) and 701.108 (3) (am) and (d); and *to create* 221.04 (4h) of the statutes, **relating to:** eliminating banking sunset dates.

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

**SECTION 1.** 221.04 (1) (f) of the statutes, as affected by 1989 Wisconsin Act 29, is amended to read:

221.04 (1) (f) To exercise by its board of directors, or duly authorized officers or agents, subject to law, all such incidental powers necessary to carry on the business of banking; by buying, discounting, and negotiating promissory notes, bonds, drafts, bills of exchange, foreign and domestic, and other evidences of debt; by buying and selling coin and bullion; by receiving commercial and savings deposits under such regulations as it may establish; by buying and selling exchange, and by loans on personal and real security as hereafter provided; ~~but no bank shall establish more than one office of deposit and discount or, except as provided under pars. (i) to (jm), (m) and (n), establish branch offices, branch banks or bank stations, but this prohibition shall not apply to any branch office or branch bank established and maintained prior to May 14, 1909, any bank station established and maintained prior to May 17, 1947, or any branch bank existing on July 31, 1990, or approved by the commissioner before August 1, 1990. Any~~ A bank may exercise the powers granted by this subsection to carry on the business of banking in any such branch office, branch bank or banking station so established. ~~Applications for the establishment of bank stations which were on file with the banking commission on or before April 1, 1947 may be granted,~~

~~subject to the provisions of this section as they existed prior to May 17, 1947.~~

**SECTION 2.** 221.04 (1) (i), (im), (ir) and (j) of the statutes, as affected by 1989 Wisconsin Act 29, are repealed.

**SECTION 3.** 221.04 (1) (jm) 1m of the statutes, as created by 1989 Wisconsin Act 29, is repealed.

**SECTION 4.** 221.04 (1) (k) 1. of the statutes, as affected by 1989 Wisconsin Act 29, is amended to read:

221.04 (1) (k) 1. Directly or indirectly, to acquire, place and operate, or participate in the acquisition, placement and operation of, at locations other than its main or branch offices, customer bank communications terminals, in accordance with rules established by the commissioner. ~~Terminals established in accordance with such rules are not subject to the limitations of par. (i), (j) or (jm) or s. 221.14 (4m) or (4s).~~ The rules of the commissioner shall provide that any such customer bank communications terminal shall be available for use, on a nondiscriminatory basis, by any state or national bank which has its principal place of business in this state, by any other bank obtaining the consent of a state or national bank which has its principal place of business in this state and is using the terminal and by all customers designated by a bank using the terminal. This paragraph does not authorize a bank which has its principal place of business outside this state to conduct banking business in this state. The customer bank communications terminals also shall be available for use, on a nondiscriminatory basis, by any credit union, savings and loan association or mutual sav-

ings bank, whose home office is located in this state, if the credit union, savings and loan association or mutual savings bank requests to share its use, subject to rules jointly established by the commissioner of banking, the commissioner of credit unions and the commissioner of savings and loan. The rules of the commissioner and the joint rules shall each prohibit any advertising with regard to a shared terminal which suggests or implies exclusive ownership or control of the shared terminal by any financial institution or group of financial institutions operating or participating in the operation of the terminal. The commissioner by order may authorize the installation and operation of a customer bank communications terminal in a mobile facility, after notice and hearing upon the proposed service stops of the mobile facility.

**SECTION 5.** 221.04 (1) (L) of the statutes, as affected by 1989 Wisconsin Act 29, is amended to read:

221.04 (1) (L) To establish and maintain facilities for the receipt of checks and other transit items as an intermediary or payor bank in bank-to-bank transactions. Establishment or maintenance of a facility under this paragraph shall not constitute establishment or maintenance of a branch bank within the meaning of pars. (f), ~~(i)~~, ~~(#)~~, ~~(j)~~ and (jm).

**SECTION 6.** 221.04 (1) (m) of the statutes, as affected by 1989 Wisconsin Act 29, is repealed.

**SECTION 7.** 221.04 (1) (p) of the statutes, as created by 1989 Wisconsin Act 29, is amended to read:

221.04 (1) (p) ~~After July 31, 1989, and before August 1, 1990, to~~ To contract with one or more banks to provide banking and financially related products or services on its behalf to its customers or to establish a joint branch bank of the contracting banks. The contracting banks shall inform the commissioner in writing of any contract entered into under this paragraph. ~~The expiration of this paragraph shall not impair a contract entered into under this paragraph.~~ The establishment of a joint branch bank is subject to the provisions for the establishment of a branch bank in par. (jm).

**SECTION 8.** 221.04 (1) (q) of the statutes, as created by 1989 Wisconsin Act 29, is amended to read:

221.04 (1) (q) ~~After July 31, 1989, and before August 1, 1990, to~~ To pick up deposits and deliver money to bank customers at locations designated by the bank. ~~The expiration of this paragraph shall not impair a contract entered into under this paragraph.~~

**SECTION 9.** 221.04 (4g) of the statutes, as affected by 1989 Wisconsin Act 29, is repealed.

**SECTION 10.** 221.04 (4h) of the statutes is created to read:

221.04 (4h) STOCK IN BANK-OWNED BANKS. Any bank holding company, subject to the limitations in s. 221.58 (7), or any bank may, with the approval of the commissioner, acquire and hold stock in an aggregate amount not exceeding 10% of its capital and surplus, in one or more banks chartered under s. 221.57 or in one or more bank

holding companies wholly owning a bank chartered under s. 221.57.

**SECTION 11.** 221.12 of the statutes, as affected by 1989 Wisconsin Act 29, is amended to read:

**221.12 Articles may be amended.** A bank may amend its articles of incorporation in any manner not inconsistent with law, at any time, by a vote of its stockholders representing two-thirds of the capital stock taken at a meeting called for that purpose. The bank shall submit the amendment to the commissioner of banking. The amendment is not effective unless approved by the commissioner. The amendment may provide for a change of location of the bank, ~~subject to s. 221.04 (1) (j) or (jm).~~ ~~Subject to s. 221.04 (1) (j) or (jm), the.~~ The amendment may provide for a change of the location of a parent bank to the location of a branch of the parent bank and a change of the location of a branch of the parent bank to the location of the parent bank if the change is first approved by the commissioner upon application. The amendment, certified by the president or cashier, and setting forth the volume and page of recording in the office of the register of deeds of the original articles of incorporation, shall be recorded as required for articles of incorporation. No increase of the capital shall be valid until the amount of the increase has been subscribed and actually paid in. The entire surplus fund of a bank, or as much as may be required, may be declared and paid out as a stock dividend to apply on, and be converted into, an increase of capital. No reduction of capital shall be made to a less amount than is required under this chapter for capital, nor be valid or warrant the cancellation of stock certificates or diminish the personal liability of stockholders, until the reduction has been approved by the commissioner. No reduction may be effected in any other way than by a proportional reduction of all outstanding shares unless approved by the commissioner. The approval may be given only when the commissioner is satisfied that the reduction of the capital is in the best interests of the depositors.

**SECTION 12.** 221.14 (4) (a) of the statutes, as affected by 1989 Wisconsin Act 29, is renumbered 221.14 (4c) and amended to read:

221.14 (4c) Real estate purchased or leased by a bank for the purpose of providing parking facilities for immediate and reasonable future needs. ~~Except as provided in par. (b), the distance between the bank premises and the parking facility may not exceed 1,000 feet.~~ Parking fees and property rentals may be derived from the acquired real estate.

**SECTION 13.** 221.14 (4) (b) of the statutes, as created by 1989 Wisconsin Act 29, is repealed.

**SECTION 14.** 221.14 (4m) of the statutes, as affected by 1989 Wisconsin Act 29, is repealed.

**SECTION 15.** 221.14 (4s) of the statutes, as created by 1989 Wisconsin Act 29, is amended to read:

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221.14 (4s) After July 31, 1989, and before August 1, 1990, real Real estate used as an attended or unattended remote facility for paying and receiving only. Remote facilities may be established only with specific approval by the commissioner. The authority under this subsection is in addition to the authority to establish facilities that are attached to or a part of a bank or a branch bank. After July 31, 1989, and before February 1, 1990, a bank may inform the commissioner in writing that it is converting a remote facility existing on August 1, 1989, into a branch bank, specifying the effective date of the conversion. An application fee is not required for a conversion under this subsection.

**SECTION 16.** 222.21 (1) (a) of the statutes, as affected by 1989 Wisconsin Act 29, is amended to read:

222.21 (1) (a) Every mutual savings bank formed under this chapter shall possess the powers and be subject to the general laws relating to corporations, so far as

applicable, and shall be subject to all of the provisions of ss. 220.04, 220.05, 220.07, 220.08 to 220.086, 220.10, 221.04 (1) ~~(j)~~; (jm) and (k) and (3), 221.045, 221.046 and 221.31.

**SECTION 17.** 701.108 (3) (am) and (d) of the statutes, as affected by 1989 Wisconsin Act 29, are amended to read:

701.108 (3) (am) Acquire or merge with an in-state bank, as defined in s. 221.58 (1) (c), unless the acquisition or merger is for the purpose of establishing a branch bank under s. 221.04 (1) ~~(j)~~ or (jm) and the acquired or merged in-state bank, as defined in s. 221.58 (1) (c), is used as a branch of a banking subsidiary acquired in a transaction under this section.

(d) Notwithstanding s. 221.04 (1) ~~(j)~~ or (jm), convert a home bank of the banking subsidiary to a branch or a branch to a home bank.