



State of Wisconsin
2017 - 2018 LEGISLATURE

LRBa1947/1
ARG:kjf

**ASSEMBLY AMENDMENT 1,
TO ASSEMBLY BILL 822**

February 6, 2018 – Offered by Representative KATSMÄ.

- 1 At the locations indicated, amend the bill as follows:
- 2 **1.** Page 9, line 23: delete “NO INJUNCTION” and substitute “INJUNCTIONS”.
- 3 **2.** Page 9, line 23: before “Notwithstanding” insert “(a) In this subsection,
4 “insurer–member” means a member of the federal home loan bank in question that
5 is an insurer.
6 (b)”.
- 7 **3.** Page 9, line 24: delete “no” and substitute “a”.
- 8 **4.** Page 10, line 3: after “agreement” insert “, for a period not to exceed 10 days
9 after the appointment of a receiver for an insurer–member of the federal home loan
10 bank. If the federal home loan bank fails to comply with the provisions of pars. (c)
11 and (d), the court may, within 10 days following the appointment of the receiver,
12 extend the stay until the federal home loan bank complies with the provisions of pars.
13 (c) and (d)”.

1 **5.** Page 10, line 3: after that line insert:

2 “(c) Not later than 5 days after notification to the federal home loan bank of the
3 appointment of a receiver for an insurer-member, the federal home loan bank shall
4 deliver to the receiver a process and timeline for all of the following:

5 1. The release of collateral held by the federal home loan bank that exceeds the
6 amount that is required to support the outstanding secured loan obligations and that
7 is remaining after any repayment of loans, as determined under the applicable
8 agreements between the federal home loan bank and the insurer-member.

9 2. The release of any collateral remaining in the federal home loan bank’s
10 possession following repayment of all outstanding secured obligations in full.

11 3. The payment of fees owed by the insurer-member.

12 4. The redemption or repurchase of federal home loan bank stock in excess of
13 the minimum amount the insurer-member is required to own.

14 (d) Upon the request of the receiver and not later than 5 days after notification
15 to the federal home loan bank of the appointment of a receiver for an
16 insurer-member, the federal home loan bank shall provide any available options for
17 the insurer-member to renew or restructure an advance. In determining which
18 options are available, the federal home loan bank may consider market conditions,
19 the terms of the advance outstanding to the insurer-member, the applicable policies
20 of the federal home loan bank, and compliance with the Federal Home Loan Bank
21 Act and corresponding regulations.

22 (e) A federal home loan bank shall, within 7 days of receipt of a repurchase
23 request made by the insurer-member, repurchase any outstanding capital stock in
24 excess of the amount of stock the insurer-member is required to hold as a minimum

1 investment. The federal home loan bank shall repurchase the excess outstanding
2 capital stock if the repurchase is all of the following:

3 1. Permissible under federal laws and regulations and the federal home loan
4 bank's capital plan.

5 2. Consistent with the capital stock practices then applicable to the federal
6 home loan bank's entire membership.”.

7 (END)