



## WISCONSIN LEGISLATIVE COUNCIL ACT MEMO

**2005 Wisconsin Act 217**  
[2005 Senate Bill 584]

**Regulation of Out-of-State Bank  
Branches**

2005 Wisconsin Act 217 permits an out-of-state bank to establish a branch in Wisconsin, without acquiring an existing Wisconsin bank as is required by current law. An out-of-state bank may establish a Wisconsin branch if the following requirements are met:

1. The laws of the home state of the out-of-state bank allow the out-of-state bank to establish a branch in this state;
2. The Division of Banking determines that the laws of the home state are reciprocal to Wisconsin law with respect to establishing branches; and
3. The out-of-state bank gives prior notice to the Division as specified in rules promulgated by the Division of Banking.

In addition, the Act permits an out-of-state bank to acquire a Wisconsin bank that has not been in existence and in continuous operation for at least five years as is prohibited under current law. An out-of-state bank or out-of-state bank holding company may acquire a Wisconsin bank or Wisconsin bank holding company if both of the following apply:

1. The laws of the home state of the out-of-state bank allow a Wisconsin bank to acquire a bank in the home state.
2. The Division determines that the laws of the home state are reciprocal to Wisconsin law with respect to mergers and acquisitions.

The Act requires the Division of Banking to determine the reciprocity of states' banking laws and to publish a list of states that the Division determines fulfill the provisions of the Act.

**Effective Date:** The Act takes effect on April 11, 2006.

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April 11, 2006

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This memo provides a brief description of the Act. For more detailed information, consult the text of the law and related legislative documents at the Legislature's Web site at: <http://www.legis.state.wi.us/>.