

CHAPTER 219

INVESTMENTS

219.01	Loans, advances of credit, investment in securities, insured under National Housing Act, authorized or guaranteed by veterans' administration or insured by secretary of agriculture through farmers home administration (Title I Bankhead-Jones Farm Tenant Act as amended).	219.03	Restrictions upon loans, security, interest rates, etc. not applicable.
219.02	Securities eligible for investment may be used as collateral.	219.04	Investment in state bonds and notes.
		219.05	Investment in accounts insured by the federal savings and loan insurance corporation.
		219.06	Housing bonds legal investments and security.
		219.07	Redevelopment authority bonds legal investments and security.
		219.08	Investments in development companies.

219.01 Loans, advances of credit, investment in securities, insured under National Housing Act, authorized or guaranteed by veterans' administration or insured by secretary of agriculture through farmers home administration (Title I Bankhead-Jones Farm Tenant Act as amended). Credit unions, savings and loan associations, investment associations, state banks, savings banks, trust company banks, land mortgage associations, insurance corporations, including life companies, and fraternal benefit societies, executors, guardians, trustees, administrators, and other fiduciaries, except where it is contrary to the will or other instrument of trust, the state of Wisconsin and its agencies and its municipalities, districts, and other subdivisions, and all institutions and agencies thereof, and all other persons, associations, and corporations, subject to the laws of this state, are authorized:

(1) To make such loans and advances of credit and purchases of obligations representing loans and advances of credit as are insured by the federal housing administrator, and to obtain such insurance.

(2) To make such loans, secured by real property or leasehold, as the federal housing administrator insures or makes a commitment to insure, and to obtain such insurance.

(3) To invest their funds, and moneys in their custody or possession (which are eligible for investment and which they are by law permitted or required to invest), in notes or bonds secured by mortgage or trust deed insured by the federal housing administrator, and in debentures issued by the federal housing administrator, and in securities issued by national mortgage associations.

(4) To invest their funds and moneys in their custody or possession (which are eligible for investment and which they are by law permitted or required to invest) in notes, bonds or other forms of evidence of indebtedness guaranteed by the administrator of veterans' affairs of the

United States veterans' administration or otherwise guaranteed or secured under service men's readjustment act of 1944, United States Public Law 346, 78th Congress, and acts amendatory thereof and supplemental thereto.

(5) To make loans and to sell, buy, or otherwise invest in notes, bonds, or other instruments evidencing loans secured by mortgages insured, or with respect to which commitments to insure have been made under Title I of the Bankhead-Jones Farm Tenant Act (7 USC 1000 et seq.) as heretofore or hereafter amended. Restrictions of any character imposed by the laws of Wisconsin with respect to location of the real estate security shall not be applicable to loans or investments so secured by mortgages under Title I of said act.

219.02 Securities eligible for investment may be used as collateral. Wherever, by statute of this state, collateral is required as security for the deposit of public or other funds; or deposits are required to be made with any public official or department; or an investment of capital or surplus, or a reserve or other fund, is required to be maintained consisting of designated securities, notes and bonds insured and debentures issued by the federal housing administrator and obligations of national mortgage associations shall be eligible for such purposes.

219.03 Restrictions upon loans, security, interest rates, etc. not applicable. No law of this state requiring security upon which loans or investments may be made, or limiting the amount of the loan to any stated proportion of the value of the security, or prescribing the nature, amount or form of such security, or prescribing or limiting interest rates upon loans or investments, or prescribing or limiting the period for which loans or investments may be made, or prescribing or limiting periodical instalment payments upon loans or securities, or prescribing or limiting the right to buy, sell, have serviced or assign such loans or investments and the security given therefor, shall be

deemed to apply to loans or investments made pursuant to this chapter.

219.04 Investment in state bonds and notes. (1) (a) The following may invest any sinking, insurance, investment, retirement, compensation, pension or trust funds, moneys or other funds belonging to them or within their control without limit in state bonds and notes:

1. All banks, trust companies, bankers, savings banks and institutions, building and loan associations, savings and loan associations, credit unions, investment companies, insurance companies and associations and other persons or entities carrying on a banking or insurance business.

2. All executors, administrators, guardians, trustees and other fiduciaries.

3. The state and all public officers, municipal corporations, political subdivisions and public bodies.

(b) The provisions of par. (a) shall be cumulative to authorizations of investments contained in other statutes, but shall not apply to funds expressly limited by law to specifically enumerated investments not including evidence of indebtedness.

(2) Whenever the statutes require collateral as security for the deposit of public or other funds, or deposits to be made with any public official or department, or an investment of capital or surplus or a reserve or other fund to be maintained consisting of designated securities, state bonds and notes shall be eligible for such purposes.

219.05 Investment in accounts insured by the federal savings and loan insurance corporation. (1) The investment by any title insurance company, stock fire insurance company, stock marine insurance company, stock fire and marine insurance company, stock casualty insurance company, stock life insurance company, domestic mutual casualty insurance company, mutual life insurance company, mutual fire insurance company, credit unions; or the investment of funds of any state insurance fund, state sinking fund, state school fund, firemen's relief and pension fund, police pension fund, or other pension fund; or the investment by any savings and loan association; or by any federal savings and loan association; or by any administrative department, board, commissioner or officer of the state, authorized by law to make investments of funds in the custody or under the control of such department, board, commission or officer; or by any guardian, trustee or other fiduciary; or by any school district, drainage district, village, city, county or town, in savings accounts in savings and loan associa-

tions doing business in Wisconsin in an amount not exceeding the maximum insurance coverage of their accounts by the federal savings and loan insurance corporation as fixed by an act of congress; or in savings accounts in any other institution within or without the state, to the extent to which such accounts now are, or may hereafter be, insured by the federal savings and loan insurance corporation, under acts of congress of the United States now in effect or which may hereafter be enacted is lawful.

(2) The legality of such investment shall not be impugned, whether the person, firm, or corporation or association, board, or commission, making the same be foreign or domestic; or whether such investment be made from capital, reserves, or surplus; or whether made in a fiduciary or other capacity.

219.06 Housing bonds legal investments and security. (1) The state and all public officers, municipal corporations, political subdivisions, and public bodies, all banks, bankers, savings and loan associations, credit unions, trust companies, savings banks and institutions, investment companies, insurance companies, insurance associations and other persons carrying on a banking or insurance business, and all executors, administrators, guardians, trustees and other fiduciaries, may legally invest any sinking funds, moneys or other funds belonging to them or within their control in any bonds or other obligations issued by a housing authority created by or pursuant to the housing authorities law of this state or issued by any public housing authority or agency in the United States, when such bonds or other obligations are secured by a pledge of annual contributions to be paid by the United States government or any agency thereof or by the city or county in which operates the housing authority issuing such bonds or other obligations. Such bonds and other obligations shall be authorized security for all public deposits and shall be fully negotiable in this state.

(2) The purpose of this section is to authorize any of the foregoing to use any funds owned or controlled by them, including but not limited to sinking, insurance, investment, retirement, compensation, pension and trust funds, and funds held on deposit, for the purpose of any such bonds or other obligations.

(3) This section shall apply notwithstanding any restrictions on investments contained in other provisions of the statutes.

(4) This section does not relieve any person, firm or corporation from the duty of exercising reasonable care in selecting securities.

(5) This section does not relieve any person, firm or corporation from the duty of exercising reasonable care in selecting securities.

219.07 Redevelopment authority bonds legal investments and security. All banks, trust companies, bankers, savings banks and institutions, building and loan associations, saving and loan associations, credit unions, investment companies, insurance companies, insurance associations and other persons carrying on a banking or insurance business, all executors, administrators, guardians, trustees and other fiduciaries, and the state and all public officers, municipal corporations, political subdivisions, and public bodies may legally invest any sinking funds, moneys, or other funds belonging to them or within their control in any bonds or other obligations issued by a redevelopment authority created by s. 66.431, or issued by any redevelopment authority or urban renewal agency in the United States, when such bonds or other obligations are secured by an agreement between the issuer and the federal government in which the issuer agrees to borrow from the federal government and the federal government agrees to lend to the issuer, prior to the maturity of such bonds or other obligations, moneys in an amount which (together with any other moneys irrevocably committed to the payment of principal and interest on such bonds or other obligations) will suffice to pay the principal of such bonds or other obligations with interest to maturity thereon, which mon-

eys under the terms of said agreement are required to be used for the purpose of paying the principal of and the interest on such bonds or other obligations at their maturity. Such bonds and other obligations shall be authorized security for all public deposits. It is the purpose of this section to authorize any persons, political subdivisions and officers, public or private, to use any funds owned or controlled by them for the purchase of any such bonds or other obligations. Nothing contained in this section with regard to legal investments shall be construed as relieving any person of any duty of exercising reasonable care in selecting securities. This section shall apply notwithstanding any restrictions on investments contained in other provisions of the statutes.

219.08 Investments in development companies. A state bank is authorized to invest not to exceed in the aggregate 5% of its capital and surplus in shares of Wisconsin development credit corporation and shares of small business investment companies located in Wisconsin.

Note: Chap. 391, laws of 1969, amended this section to increase the allowable investment from one per cent to 5%. Chap. 491, laws of 1969, made the same amendment, but Section 7 of Chap. 491 provides:

Section 7. This act shall be null and void as of July 1, 1973, unless the legislature takes action to extend such time limit prior to said date.