

wherever the word "judge" occurs in said section after the fourth line thereof.

SECTION 2. This act shall take effect and be in force from and after its passage and publication.

Approved April 13, 1861.

[Chapter 242 originally published April 16, 1861; as amended by Chapter 1, Extra Session, published May 28, 1861.]

CHAPTER 242,

As amended by Chapter 1, Extra Session.

AN ACT to amend the General Banking Law and the several acts amendatory thereof.

The People of the State of Wisconsin, represented in Senate and Assembly, do enact as follows:

SECTION 1. Section 22 of chapter 71 of the revised statutes, with the thereunto belonging amendment, (see chapter 98 of the general laws of 1858,) is hereby amended as follows: by striking out the following words: "Said stocks to be valued at a rate to be estimated and governed by the average rate at which said stocks have been sold in the city of New York, within the next six months preceding the time when such stocks may be left on deposit with the comptroller." By striking out the words "equal to," and inserting after the words "not exceeding," the words "in value." By striking out the following words: "But such public stocks shall, in all cases, be, or be made to be, equal to a stock producing six per cent. per annum; and it shall not be lawful for the bank comptroller to take such stock at a rate above its par value, nor above its current market value in the city of New York, at the time of deposit, by such person or association of persons," and by inserting in lieu thereof the following: "And it shall be lawful for the bank comptroller to issue for public stocks, which have been ranging at or above par during the last six months, and up to the time of deposit in the New York market, circulating notes up to the par value of said stocks; but the comptroller shall not issue for public stocks ranging below par in said market, more circulation than ninety per cent. of the current market value of said stocks at

When stocks are deposited, blank notes counter-signed, &c., equal to market value of certain of said stocks, and 90 per cent. of current market value of certain others of said stocks, to be delivered.

Proviso.

[Amendment adopted at extra session.]

the time of deposit, nor more than ninety per cent. of their average market value during the last six months; and for such stocks as during the last six months have been at and above as well as below par, the comptroller shall not issue more than ninety per cent. of the average value during the last six months, nor in any event more than ninety per cent. of its market value on the day of deposit, nor more than ninety per cent. of the par value of such stocks;” so that the said section shall henceforth read as follows: “Whenever, hereafter, any person or association of persons, formed for the purpose of banking under the provisions of this chapter, shall duly assign and transfer in trust to the treasurer of this state, any portion of the public stocks issued or to be issued by the United States, or any state stocks on which full interest is annually paid, such person or association of persons shall be entitled to receive from the bank comptroller an amount of such circulating notes of different denominations, registered and countersigned, and not exceeding in value the amount of public stocks assigned and transferred as aforesaid; and it shall be lawful for the bank comptroller to issue for public stocks, which have been ranging at or above par during the last six months, and up to the time of deposit in the New York market, circulating notes up to the par value of said stocks; but the comptroller shall not issue for public stocks ranging below par in said market, more circulation than ninety per cent. of the current market value of said stocks at the time of deposit, nor more than ninety per cent. of the average market value during the last six months; and for such stocks as during the last six months have been at and above as well as below par, the comptroller shall not issue more than ninety per cent. of the average value during the last six months, nor in any event more than ninety per cent. of its market value on the day of deposit, nor more than ninety per cent. of the par value of such stocks: *provided*, that if, in the opinion of the bank comptroller, together with the governor and secretary of state, any stocks offered shall be deemed insecure, they shall not be received as such securities under the provisions of this act; *and provided, further*, that from and after the first day of December, 1861, the bank comptroller shall not receive as security for circulating bank notes,

any other public stocks than those issued by the state of Wisconsin and the United States.”

SECTION 2. Any public stocks described in the preceding section, and issued at a rate of interest less than five per cent. per annum, to be receivable by the bank comptroller, shall be made to be equal to stocks producing five per cent. per annum.

Stocks of less than 5 per cent interest, how receivable.

SECTION 3. Section 40 of chapter 71 of the revised statutes, is hereby amended by inserting between the words “located” and “to,” in the 19th line of said section, the words “or to the judge at chambers.”

Sec. 40 amended.

SECTION 4. Every bank and banking association now organized in this state, and all banks and banking associations that shall be organized before the first day of December, 1861, except such banks and banking associations as are or may hereafter be located in the cities of Milwaukee and Madison, shall, on or before said first day of December next, appoint an agent who shall keep an office in the city of Milwaukee or in the city of Madison, for the redemption of all circulating notes issued by such bank or banking association, which shall be presented to such agent for payment or redemption.

Banks not located in Milwaukee or Madison to appoint agents to redeem circulation.

SECTION 5. The appointment of such agent shall be made in writing, and such written appointment shall be delivered to the bank comptroller on or before said first day of December next, who shall file the same in his office. If any bank or banking association shall neglect or refuse to appoint such agent within the time above mentioned, the bank comptroller shall appoint such agent for such bank or banking association.

How agents appointed.

SECTION 6. The bank comptroller shall, immediately after said first day of December next, during such time as he may deem advisable, publish a list of such agents in one daily newspaper published in the city of Madison, and in one daily newspaper published in the city of Milwaukee, the expense whereof shall be equally divided among the several banks or banking associations so published, and be paid by them to the comptroller on demand, under penalty of forfeiture of one hundred dollars, to be collected and applied as provided in respect to the forfeiture named in section 19, chapter 71 of the revised statutes.

List to be published.

SECTION 7. Every bank or banking association hereafter organized, shall, before receiving any circu-

New banks to appoint agents.

lating notes from the bank comptroller, appoint an agent for the purposes of this act; and such appointment shall be immediately published in the manner aforesaid, at the expense of such bank or banking association, to be collected in the manner above provided.

How appointments may be revoked.

SECTION 8. Appointments of agents made in pursuance of this act, may be revoked, and new appointments of agents made from time to time, by delivering such revocation and appointment to the bank comptroller, who shall cause the same to be published as before provided.

Banks may appoint a common agent and raise a joint redemption fund.

SECTION 9. It shall be lawful for any number of banks or banking associations, authorized by this act, to appoint an agent, to associate together for raising a joint fund to be placed in the hands of their common agent, for the redemption of their circulating notes in the city of Milwaukee or Madison, and also the circulating notes of other banks in such manner, and under such regulations, as may be agreed upon, and to employ such agents and clerks as they may deem necessary to carry on the business of such common agency; but nothing in this section contained shall authorize the redemption or purchase by such agency of any circulating notes at a rate of discount greater than is herein provided for, nor relieve such banks from any duty or liability required or imposed by this act.

Rate of discount on redemption.

SECTION 10. Every such bank or banking association in this state, except such banks and banking associations as now are or may hereafter be located in the cities of Milwaukee and Madison, shall redeem and pay on demand, in the lawful money of the United States, all circulating notes issued by such banks or banking associations presented for redemption at the office of the agent of such bank or banking association, during the usual hours of business of bankers, between the hours of ten and three o'clock, at a rate of discount not exceeding three-fourths of one per cent.

Banks refusing to redeem may be proceeded against.

SECTION 11. Every bank or banking association, whose agent shall neglect or refuse to redeem its notes on demand, as aforesaid, shall, on proof being made to the bank comptroller of such neglect or refusal, by the affidavit of the person who presented said notes for redemption or payment, and on depositing in his office the notes so presented, be subject to the same penalties and be proceeded against in the same manner as

is now provided by law for cases where the circulating notes of any bank or banking association are protested for non-payment, unless the comptroller shall be satisfied that there is a good and legal defence against the payment of such notes.

SECTION 12. Every bank and banking association shall redeem its circulating notes as now provided by law, but in case of neglect or refusal to redeem its notes on presentation at its counter, and of protest therefor, such bank or banking association, if not located within the city of Milwaukee or the city of Madison, shall not be liable to the holder of such notes for damages: *provided*, it shall within fifteen days after receiving notice from the comptroller to pay the same, redeem said notes in the lawful money of the United States, with interest at the rate of fifteen per cent per annum: *provided*, that the officer or officers of such bank or banking association so neglecting or refusing to redeem its notes on demand, may endorse upon the bills or package of bills so presented, an acknowledgment of such presentation and refusal, and waiving protest upon the same, and such endorsement shall be held as evidence of the statement therein made.

When certain banks not liable for damages.

SECTION 13. No bank or banking association shall hereafter receive upon the deposit of bonds, circulating notes to an amount exceeding three times its *bona fide* cash capital actually paid in, and the bank comptroller is hereby authorized and required to ascertain what the actual cash capital of any bank or banking association applying for circulation, except in exchange for mutilated bills, may be, and for this purpose he is authorized to examine any person on oath, and to compel answers under oath, from any officer or stockholder of any bank or banking association so applying, or any other person.

One-third of circulation to be paid in—amount to be ascertained by comptroller.

SECTION 14. No bank or banking association shall hereafter be organized in this state, nor shall any more circulating notes be issued to any bank or banking association in this state, unless said bank or banking association shall have a *bona fide* cash capital of at least fifteen thousand dollars actually paid in, which shall remain in such bank or banking association as capital, and employed in legitimate banking at the place where the bank is located; and it is hereby declared that the bonds deposited with the bank comp-

Notes issuable to no bank having a cash capital less than \$15,000 paid in.

Duty of comptroller.

troller shall not be considered as any evidence of the existence of capital in any such bank or banking association, nor of the amount and extent of such capital; and it is hereby made the duty of the comptroller, before issuing any more circulating notes to any such bank or banking association now organized, or that shall be hereafter organized, except in exchange for mutilated notes, to satisfy himself by an examination under oath of an officer or stockholder of such bank or banking association, that it has fully complied with the provisions of this section and of the next preceding section of this act; and for the purposes of such examination, the comptroller, or in his absence the deputy comptroller, is hereby authorized to administer oaths: *provided*, that nothing in this act contained shall be so construed as to permit any bank to issue circulating notes to any greater amount than its nominal capital.

Proviso.

Bills of what foreign banks may be circulated by banks in this state after 1st Dec. next.

SECTION 15. From and after the first day of December next, it shall not be lawful for any bank or banking association, banker, broker, company or corporation, to circulate or attempt to circulate or to pay out as money, any bill, note or other evidence of debt, issued or purporting to have been issued by any bank, banking association, company, corporation or individual, located or residing out of this state, unless said bill or note or evidence of debt shall, for the last six months preceding such circulating or paying out, have been redeemable in the city of New York or Boston in current money of the United States, at a rate of discount not exceeding three-fourths of one per cent.; and the decision of the bank comptroller as to the rate of such discount shall be final and conclusive. Every bank or banking association, banker or broker, corporation or company, offending against the provisions of this section, shall forfeit for each and every offence the sum of one hundred dollars, to be recovered with costs of suit in the name and for the use of any person who shall sue for the same and prosecute each suit to judgment in any court having cognizance thereof.

Penalty.

Personal liability of stockholders.

SECTION 16. Each and every person owning or holding stock in any bank or banking association, who shall sell, transfer or assign his stock or any portion thereof, in any such bank or banking association, shall be held and remain for the term of six months from and after such sale, transfer or assignment as afore-

said, personally liable to the amount of stock so as aforesaid sold, transferred or assigned by him, for the payment of all the debts and liabilities of such bank or banking association, existing at the time of such sale, transfer or assignment.

SECTION 17. This act shall take effect and be in force from and after the first day of December, eighteen hundred and sixty-one. To take effect.

SECTION 18. All acts or parts of acts conflicting with, or in any way contravening the provisions of this act, are hereby repealed. Repeal.

SECTION 19. At the general election to be held on the Tuesday next succeeding the first Monday in November, in the year 1861, at all the usual places of holding elections in this state, for the elections of all officers required by law then to be elected, the question whether this act shall become a law and go into effect, or in any manner be in force, shall be submitted to the people; and if the same shall be approved by a majority of all the votes cast on the subject, it shall go into effect, otherwise it shall not go into effect nor be in force. This act to be submitted to vote

SECTION 20. The votes cast on the subject specified in the last preceding section, shall be by separate ballot, and shall have written or printed, or partly written and partly printed on each of them, the words "For amendments to the banking law," or "Against amendments to the banking law," which words shall indicate the vote for or against the approval of this act; and the ballots so cast shall be canvassed and returned in the same manner as the votes cast for state officers are required by law to be canvassed; and the secretary of state shall immediately, on the completion of said canvass, publish a statement of the result thereof in the official state paper, and shall communicate the same to the next legislature at the commencement of the session, and he shall also deliver to the state treasurer a certified copy thereof, with a statement of the result of the canvass upon the subject, immediately after the completion of the canvass. Form of ballots.
How canvassed, &c.

Chapter 242 approved April 13, 1861; Chapter 1, extra session, approved May 25, 1861.