

No. 149, S.]

[Published April 18, 1947.]

**CHAPTER 57.**

AN ACT to amend 44.07 of the statutes, relating to meetings of the state historical society.

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

44.07 of the statutes is amended to read:

44.07 The state historical society may provide for annual or other meetings of officers or representatives of such auxiliary societies at times and places to be fixed by its secretary, or by such officers or representatives, and the proceedings of such meetings, or such portions thereof as its secretary may select, may be included in its published reports. Each auxiliary society shall receive a copy of each of the publications of said state society *on the same terms as those granted to life members of the state society.*

Approved April 16, 1947.

No. 30, S.]

[Published April 25, 1947.]

**CHAPTER 58.**

AN ACT to amend 215.05, 215.07 (2), 215.15 (1) and (8), 215.19, 215.24 (1) and 215.26 (3), and to create 215.07 (10m) and 215.136 of the statutes, relating to building and loan associations.

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

SECTION 1. 215.05 of the statutes is amended to read:

215.05 *In any municipality of less than 10,000 inhabitants no association shall be organized \* \* \* with less than 50 adult initial members and 500 instalment shares. In any \* \* \* municipality of 10,000 and less than 100,000 inhabitants no association shall be organized with less than 100 adult initial members and 1,000 instalment shares. In any \* \* \* municipality of or over 100,000 inhabitants no association shall be organized with less than 250 adult initial members and 2,500 instalment shares. In any \* \* \* municipality of 400,000 inhabitants or over no association shall be organized with less than 300 adult initial*

members and 6,000 instalment shares. The \* \* \* first month's dues shall be collected and deposited in a bank before any such association shall be granted a charter or may begin business.

SECTION 2. 215.07 (2) of the statutes is amended to read:

215.07 (2) To borrow money, not inconsistent with the objects of the association, and issue its evidences of indebtedness therefor, and assign as collateral security its mortgages, bonds, notes and mortgage its real estate, not exceeding in the aggregate amount 20 per cent of \* \* \* *its assets*, except that with the approval of the commission an association may borrow an amount not exceeding 50 per cent of \* \* \* *its assets*.

SECTION 3. 215.07 (10m) of the statutes is created to read:

215.07 (10m) To sell, assign or transfer its mortgages and other evidences of security, with or without recourse, to the Federal Home Loan Bank, or other agency or instrumentality of the federal government, and to service and repurchase such mortgages and other evidences of security.

SECTION 4. 215.136 of the statutes is created to read:

215.136 *Joint share accounts*. When shares have been purchased, or shall hereafter be purchased in any building and loan association, transacting business in this state, in the names of 2 or more persons, repurchasable and payable to any of said persons or the survivor or survivors, such shares, or any part thereof, or any dividend thereon, may be paid as provided in section 72.11 (2) and (3), to any of said persons whether the other or others be living or not; and the receipt or acquittance of the person or persons so paid shall be valid and sufficient release and discharge to the building and loan association for any payment so made.

SECTION 5. 215.15 (1) and (8) of the statutes is amended to read:

215.15 (1) \* \* \* *Except as provided in section 215.14*, every loan made by an association shall be evidenced by a \* \* \* note or bond, which shall be secured by a mortgage upon real estate situated in the state of Wisconsin, and \* \* \* within a radius of not to exceed 50 miles from the office of such association, as the by-laws of each association shall provide. *Such real estate shall be unincumbered except by prior loans of \* \* \* the association, \* \* \* and the note or bond given shall also be secured, if so requested by the association*, by a pledge to the association of the shares borrowed upon. \* \* \*

(8) It shall be unlawful for any association, the assets of which do not exceed \$50,000, to make loans exceeding in the aggregate \$5,000 to one borrower; if its assets exceed \$50,000 but do not exceed \$100,000 it shall be unlawful for it to make loans exceeding in the aggregate \$7,500 to one borrower; if its assets exceed \$100,000 but do not exceed \$200,000, it shall be unlawful for it to make loans exceeding in the aggregate \$10,000 to one borrower; if its assets exceed \$200,000 but do not exceed \$500,000, it shall be unlawful for it to make loans exceeding in the aggregate \$20,000 to one borrower; if its assets exceed \$500,000 but do not exceed \$1,000,000 it shall be unlawful for it to make loans exceeding in the aggregate \$25,000 to one borrower; if its assets exceed \$1,000,000 it shall be unlawful for it to make loans exceeding in the aggregate \* \* \* 5 per cent of its assets \* \* \* to any one borrower \* \* \*. Any single loan in excess of \$25,000 shall not exceed 65 per cent of the reasonable \* \* \* value of the real estate securing the loan as appraised by appraisers, approved by the banking commission, and provided further that the aggregate of loans in excess of \$25,000 shall not exceed 15 per cent of the assets of the association.

SECTION 6. 215.19 of the statutes is amended to read:

215.19 Whenever a borrower shall be in arrears in \* \* \* *any contractual payments, whether principle, dues, interest, taxes or insurance*, his whole loan shall become due and payable without deduction of any premium paid; his pledged shares may be declared forfeited and their withdrawal value at the time of the first default, if any payments of dues have been made, applied as a payment on the loan; the balance, or the amount due, with interest and premium, fines and other charges thereon from the time of the first default, may be enforced by proceedings on his security according to law; provided, that any association in the discretion of its board of directors is authorized to accept only payments of interest on the loan and taxes on the mortgaged premises and may waive the payment of dues for periods not exceeding one year at a time. When the amount thus collected exceeds the amount due the excess shall be returned to the defaulting borrower.

SECTION 7. 215.24 (1) of the statutes is amended to read:

215.24 (1) \* \* \* *Prior to June 30 and December 31 of each year the board of directors shall ascertain the gross earnings*

of the association \* \* \* for the then ending 6 months' period ending on June 30 and December 31 as the case may be, from which shall first be deducted the payment or provision for payment of the expenses of the association, and from the balance appropriate transfers shall be made to required reserves and undivided profit account. The balance of the profits shall be declared as a dividend; *said dividend shall not be paid or distributed until June 30 or December 31 next following the date declared. No dividend shall be paid on any stock not outstanding on the date when a dividend may be paid or distributed*; but no dividends shall be paid or credited except such as have been declared upon said dates; except by building and loan associations, the majority of whose stock is owned by the employes of public utility, street and interurban railway companies and their associated companies, in which associations earned dividends may be credited and paid at any time; the proportionate amounts may be paid in cash or be placed to the credit of holders of instalment stock, and holders of paid-up stock may receive their dividend in cash, provided, that if at the time of such dividend period there be not a sufficient amount in the contingent fund for the payment of losses then existing, no dividend shall be declared and no dividend shall be apportioned, or credited on instalment stock and no dividend shall be apportioned, credited or paid on paid-up stock until all losses have been fully paid. Before any dividend shall be declared, credited or paid, at least three-tenths of one per cent per annum of the share and creditor liability shall be set aside as a fund for the payment of contingent losses, until such fund reaches at least 5 per cent of the share and creditor liability. All losses shall be paid out of such fund until the same is exhausted, and whenever said fund falls below 5 per cent of the share and creditor liability aforesaid it shall be replenished by regular appropriations, as hereinbefore provided, until it again reaches said amount. The rate of dividend declared and paid upon paid-up stock shall not exceed the rate declared and credited at the same time upon instalment stock, all dividends to be computed by a uniform method as prescribed by the commission.

SECTION 8. 215.26 (3) of the statutes is amended to read:

215.26 (3) \* \* \* *Where the by-laws do not specify the interest rate to be charged on loans, \* \* \* such association \* \* \* shall*

by resolution of its board of directors fix and \* \* \* *determine the interest rate to be charged on loans, subject to written approval of the commission.*

Approved April 23, 1947.

No. 75, S.]

[Published April 25, 1947.

### CHAPTER 59.

AN ACT to amend 61.33 and 348.28 of the statutes, relating to contracts between the state, counties or municipalities and their officers and providing a penalty.

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

SECTION 1. 61.33 of the statutes is amended to read:

61.33 No trustees shall be in any manner, directly or indirectly interested in any contract with or work or labor done for or material furnished to the village or to any one on its behalf. In case of a violation of this section such trustees or officer shall forfeit not less than \* \* \* \$50 nor more than \* \* \* \$500. But the provisions of this section shall not apply to the designation of public depositories for public funds, nor to the publication of legal notices required to be published by any village, or by any village officer, at a rate not higher than that prescribed by law, nor to the contract for the sale of printed matter or any other commodity, not exceeding \* \* \* \$300 in any one year.

SECTION 2. 348.28 of the statutes is amended to read:

348.28 (1) Any officer, agent or clerk of the state or of any county, town, school district, school board or city therein, or in the employment thereof, or any member of any town board or village board, or any officer, regent, treasurer, secretary, superintendent, clerk or agent of any penal, correctional, educational or charitable institution instituted by or in pursuance of law within this state, or any member of any body or board having charge or supervision of such institution who shall have, reserve or acquire any pecuniary interest, directly or indirectly, present or prospective, absolute or conditional, in any way or manner, in any purchase or sale of any personal or real property or thing in action, or in any contract, pro-