

1983 Assembly Bill 934

Date of enactment: **May 9, 1984**
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1983 Wisconsin Act 440

AN ACT *to amend* 222.14 (1) and (4); and *to repeal and recreate* 222.20 of the statutes, relating to changes in the lending limits and reserves requirements of mutual savings banks.

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

SECTION 1. 222.14 (1) and (4) of the statutes are amended to read:

222.14 (1) No mutual savings bank may loan any money upon any obligation unless the loan is secured by collateral in which the bank might invest its funds or on which it might loan its money to the extent authorized by s. 222.13, but personal obligation loans may be made not supported by such collateral to an extent of 15% of the assets of the

bank. No such loan may exceed ~~\$25,000~~ 5% of the mutual savings bank's guaranty fund created under s. 222.021. Such loans shall be payable in not to exceed 10 years at the maximum interest allowed by the law under ch. 138 or 422 as applicable, except any loan in excess of \$1,000 shall be fully secured or supported by a current sworn financial statement.

(4) Any mutual savings bank organized hereunder may make loans secured by chattel on a mobile home to be maintained as a residence of the borrower or a relative of the borrower if that loan will not exceed ~~the lesser of \$10,000 or~~ 80% of the purchase price or appraised market value of the mobile home including fixtures, furniture and appliances. The loan shall be fully amortized in substantially equal monthly instalments, up to 12 years in the case of a new mobile home or up to 8 years in the case of a used mobile home. The aggregate amount of mobile home loans made by any mutual savings bank may not at any time exceed 5% of the assets of the bank.

SECTION 2. 222.20 of the statutes is repealed and recreated to read:

222.20 Reserves. (1) In this section:

- (a) "Municipal obligation" has the meaning given under s. 67.01 (2).
- (b) "Short-term" means maturing within 18 months or less.

(2) Every mutual savings bank shall maintain sufficient reserves to meet anticipated withdrawals, commitments and loan demand. Every mutual savings bank shall maintain at least the level of reserves required for it by the federal reserve system. The commissioner of banking may prescribe additional reserve requirements for an individual mutual savings bank based on examination findings or other reports available to the commissioner.

(3) Reserves of a mutual savings bank shall consist of any of the following:

- (a) Cash.
 - (b) Cash items in the process of collection.
 - (c) Short-term obligations of or demand balances with other insured financial institutions in the United States.
 - (d) Short-term obligations of or guaranteed by the federal government.
 - (e) Short-term obligations of this state.
 - (f) Short-term municipal obligations.
 - (g) Short-term obligations approved by rule of the commissioner of banking.
 - (h) Balances with federal reserve banks.
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