

the state highway commission is authorized to add to the state trunk highway system any bridge constructed, reconstructed or purchased under the provisions of this section, and any road or street eligible to become a portion of the state trunk highway system, which will form the most reasonable and practical connection from such bridge to the state trunk highway system. In such cases any limitations on the total mileage of highways included in the state trunk highway systems shall not apply.

SECTION 3. The sections of the statutes repealed by this act shall apply to all projects for which contracts have been let under such section. All valid proceedings initiated under such repealed sections shall be valid initiations of proceedings under the new sections created by this act, and the cost of such projects shall be borne in accordance with the provisions of the new sections created by this act.

SECTION 4. This act shall take effect upon passage and publication.

Approved January 21, 1932.

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No. 14, S.]

[Published January 23, 1932.

### CHAPTER 15.

AN ACT to repeal subsection (7) of section 59.74 and subsection (3) of section 220.07 (created by Bill No. 6, A., SS31) of the statutes; to amend the introductory paragraph of section 20.53, subsection (1) of section 59.75, subsection (2) of section 220.02, subsections (4) and (15) of section 220.08 and subsection (4) of section 221.25 and section 221.37; and to create section 220.065, subsection (4) of section 14.50 and subsection (16) of section 220.07 of the statutes, relating to the banking laws, and making an appropriation.

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

SECTION 1. Subsection (7) of section 59.74 and subsection (3) of section 220.07 (created by Bill No. 6, A., SS31) of the statutes are repealed.

SECTION 2. The introductory paragraph of section 20.53, subsection (1) of section 59.75, subsection (2) of section 220.02, subsections (4) and (15) of section 220.08 and subsection (4) of

section 221.25 and section 221.37 of the statutes are amended to read: (20.53) (Introductory paragraph) COMMISSIONER OF BANKING. There is appropriated from the general fund to the state banking department for the execution of its functions, *annually such moneys as are paid to the commissioner of banking under sections 220.08, 214.02 and subsection (5) of section 115.09,* and for the year beginning July 1, 1931, one hundred sixty-six thousand three hundred fifty dollars and annually, beginning July 1, 1932, one hundred and eighty-five thousand dollars. Of this there is allotted:

(59.75) (1) Whenever any county board shall have designated a county depository or depositories in accordance with the provisions of section 59.74 the county treasurer \* \* \* shall deposit therein as soon as received all funds that come to his hands in that capacity in excess of the sum he is authorized by such board to retain and any sum so on deposit shall be deemed to be in the county treasury, and such treasurer shall not be liable for any loss thereon resulting from the failure or default of such depository \* \* \* ; provided, that the county board or a committee thereof designated by it may invest any funds that come into his hands in excess of the sum he is authorized by the county board to retain for immediate use, in the name of the county \* \* \* in interest bearing bonds of the United States, or of any county or municipality in the state, and such board or committee may sell such securities when deemed advisable.

(220.02) (2) Such deputy shall possess all powers, and perform the duties attached to the office of the commissioner of banking during a vacancy in such office and during the absence or inability of his principal. The commissioner of banking may also employ, *from time to time, such examiners and clerks to assist him and his deputy, in the discharge of the several duties imposed upon him by this chapter, as he shall find necessary* and not more than two assistant deputies who shall be especially \* \* \* qualified to examine banks and render advisory service to them and to aid in the enforcement of the banking laws and who shall perform such service and receive such reasonable compensation therefor not exceeding five thousand dollars a year each, as shall be fixed by the commissioner with the approval of the banking review board. \* \* \*

(220.08) (4) The commissioner may, under his hand and official seal, appoint one or more special deputy commissioners, as agent or agents, to assist him in the duty of *reorganization, consolidation*, liquidation and distribution, the certificate of appointment to be filed in the office of the commissioner of banking, and a certified copy in the office of *the* clerk of the circuit court for the county in which such bank or banking corporation is located. The commissioner may from time to time authorize a special deputy commissioner to perform such duties connected with such *reorganization, consolidation*, liquidation and distribution as the commissioner may deem proper. The commissioner may employ such counsel and procure such expert assistance and advice as may be necessary in the *reorganization, consolidation*, liquidation and distribution of the assets of such banks or banking corporations. \* \* \* *The commissioner* may retain such of the officers or employes of such banks or banking corporations as he may deem necessary. The commissioner shall require from a deputy commissioner and from such assistants such security for the faithful discharge of their duties, as he may deem proper.

(15) Whenever the commissioner of banking, with a view of restoring the solvency of any bank of which he has taken charge pursuant to law, shall approve a reorganization plan entered into between the depositors and unsecured creditors of such bank and the bank or reorganizers thereof, which represent \* \* \* *eighty* per cent of the amount of deposits and unsecured claims of such banks, then and in such case all other depositors and unsecured creditors shall be held to be subject to such agreement to the same extent and with the same effect as if they had joined in the execution thereof, and their claims shall be treated in all respects as if they had joined in the execution of such articles or reorganization plan in the event of restoration of such bank to solvency, and the reopening of the same for business. *The state board of deposits and the governing board of any county, city, village, town, drainage district, power district, school district, sewer district, or other governmental subdivision, or any commission, committee, board or officer thereof, having any funds on deposit at the time of the closing of the bank are authorized to join in any reorganization plan, if, in the judgment of such state board of deposits or other governing board, the reorganization plan is in the best interest of all persons concerned.* All deposits made in any

state bank subsequent to the passage of this section shall be subject to the conditions \* \* \* *hereof*.

(221.37) The board of directors of a bank may declare a dividend from so much of its net profits, after providing for all expenses, losses, interest and taxes accrued or due from said bank, as they shall deem expedient; but before any such dividend is declared not less than \* \* \* *one-tenth* of the net profits of the bank for the preceding half year, or for such period as is covered by the dividend, shall be carried to a surplus fund, until such surplus fund shall amount to \* \* \* *fifty* per cent of the capital stock. Any losses sustained by any bank in excess of its undivided profits may be charged to its surplus account; provided, that its surplus fund shall thereafter be reimbursed from its earnings, and no dividends shall be declared or paid by any such bank in excess of one-half of its net earnings until its surplus fund shall be fully restored to the amount required by law.

(221.25) (4) (Chapter 10, Laws of 1931-32 special session)  
 (4) If the commissioner of banking shall find that, due to the closing of or cessation of business by a bank in this state after \* \* \* *July 1, 1929*, any village in this state having a population of less than eight hundred persons has been deprived of necessary banking facilities, the commissioner may permit the operation in said village by another bank of a receiving and disbursing station in said village but any such permit shall be subject to revocation at any time, after reasonable notice and hearing, by the commissioner of banking. Any such permit shall be issued only for a period of not to exceed three years and shall not be renewed unless the commissioner is satisfied that renewal of such certificate (rather than the organization of a new bank or any other method) is reasonably necessary to afford banking facilities in said community. No bank shall be permitted to maintain more than three such stations, nor shall any such station be maintained outside the county in which the bank maintaining same is located. No banking business shall be transacted at any such station other than receiving and paying out deposits, issuing drafts and travelers' checks and cashing checks and drafts. Under like conditions, a like permit may be issued for maintaining such a receiving and disbursing station in an unincorporated village, provided that there is a population of not to exceed eight hundred persons residing within one mile from the location of said station. No such

station shall be permitted within three miles of any existing bank which is actually transacting a banking business. If at any time the deposits in the bank maintaining such station, of persons who have used such disbursing station for deposits or withdrawals shall exceed the sum of three hundred thousand dollars, the permit to maintain such station shall be revoked and the station discontinued. All deposits made at any such station shall be deposits in the bank maintaining the same and such bank shall be liable for the payment of same on the same basis as other deposits of said bank. No bank shall be permitted to maintain any such station if more than ten per cent of the outstanding stock of such bank shall be owned or controlled by any corporation or corporations, investment trust or trusts, association or associations, common law trust or trusts, provided that stock, held by an administrator, guardian, executor under a will or by a testamentary trustee shall not be deemed held by a trust within the meaning of this section. If the commissioner of banking shall find that after the closing of any bank in this state, any other bank in the same city is willing to purchase the assets of the closed bank at a price approved by the commissioner of banking and by the circuit court having jurisdiction over the matter, provided such bank is permitted to operate a bank at two locations in the same city, which are at least one and one-half miles apart, then the commissioner of banking may issue a license to such bank to establish and operate its banking business in any two such locations in the same city, upon the making of such agreement to purchase such assets.

SECTION 3. A new section is added to the statutes and a new subsection is added to section 14.50 and also to section 220.07 to read: 220.065 The commissioner of banking shall not be subject to any civil liability or penalty, nor to any criminal prosecution, for any error in judgment or discretion in any action taken or omitted by him in his official capacity under the provisions of chapters 220 to 225.

(14.50) (4) When the bank on which any check or draft is drawn by the state treasurer shall before payment of such check or draft become insolvent or shall be taken over by the commissioner of banking or the comptroller of the currency, the state treasurer shall on the demand of the person in whose favor such check or draft was drawn issue a duplicate for the same amount. This subsection shall apply to checks or drafts heretofore issued and not paid.

(220.07) (16) Whenever the commissioner of banking, with a view to stabilizing and readjusting the banking structure of any bank, shall approve a stabilization and readjustment agreement entered into between such bank and the depositors and unsecured creditors of such bank which shall represent eighty per cent of the amount of deposits and unsecured credits of such bank, then in such case, all other depositors and unsecured creditors shall be held to be subject to such stabilization and readjustment agreement to the same extent and same effect as if they had joined in execution thereof, and their claims shall be treated in all respects as if they had joined in the execution of such stabilization and readjustment agreement. The state board of deposits and the governing board of any county, city, village, town, drainage district, power district, school district, sewer district, or other governmental subdivision, or any commission, committee, board or officer thereof, are authorized to join in the execution of any stabilization and readjustment agreement if the state, county, city, village, town, drainage district, power district, school district, sewer district, or other governmental subdivision or any commission, committee, board or officer thereof, as the case may be, had any funds on deposit at the time of the proposal of such stabilization and readjustment agreement, and if, in the judgment of such state board of deposits or other governing board, the stabilization and readjustment agreement is in the best interests of all persons concerned; provided, that the joining in any such stabilization and readjustment agreement shall not operate as a waiver of any rights arising under chapter 34, or under any bond or other security which was given for the repayment of any of the public funds on deposit in such bank. All deposits made in any state bank subsequent to the passage of this section shall be subject to the conditions thereof.

SECTION 4. This act shall take effect upon passage and publication.

Approved January 23, 1932.