

1           **\*b2365/1.2\* SECTION 346pk.** 186.11 (4) (title) of the statutes is amended to  
2 read:

3           186.11 (4) (title) INVESTMENT IN CREDIT UNION SERVICE CORPORATIONS  
4 ORGANIZATIONS.

5           **\*b2365/1.2\* SECTION 346pL.** 186.11 (4) (a) of the statutes is renumbered  
6 186.11 (4) (a) (intro.) and amended to read:

7           186.11 (4) (a) (intro.) ~~A~~ Unless the office of credit unions approves a higher  
8 percentage, a credit union may invest not more than 1.5% of its total assets in the  
9 capital shares or obligations of a credit union service corporation organizations that  
10 satisfy all of the following:

11           2. Are organized primarily to provide goods and services to credit unions, credit  
12 union organizations, and credit union members.

13           **\*b2365/1.2\* SECTION 346pm.** 186.11 (4) (a) 1. of the statutes is created to read:

14           186.11 (4) (a) 1. Are corporations, limited partnerships, limited liability  
15 companies, or other entities that are permitted under the laws of this state and that  
16 are approved by the office of credit unions.

17           **\*b2365/1.2\* SECTION 346pn.** 186.11 (4) (b) (intro.) and 1. of the statutes are  
18 amended to read:

19           186.11 (4) (b) (intro.) A credit union service corporation organization under par.  
20 (a) may provide goods and services including any of the following:

21           1. Credit union operations services, including service centers, credit and debit  
22 card services, automated teller and remote terminal services, electronic transaction  
23 services, accounting systems, data processing, management training and support,  
24 payment item processing, record retention and storage, locator services, research,

1 debt collection, credit analysis and loan servicing, coin and currency services, and  
2 marketing and advertising services.

3 \*b2365/1.2\* SECTION 346pp. 186.11 (4) (c) of the statutes is amended to read:  
4 186.11 (4) (c) A credit union service corporation organization may be subject  
5 to audit by the office of credit unions.

6 \*b2365/1.2\* SECTION 346pq. 186.113 (1) of the statutes is amended to read:  
7 186.113 (1) BRANCH OFFICES. ~~If the need and necessity exist and with~~ With the  
8 approval of the office of credit unions, establish branch offices ~~inside this state or no~~  
9 ~~more than 25 miles~~ or outside of this state. Permanent records may be maintained  
10 at branch offices established under this subsection. In this subsection, the term  
11 “branch office” does not include a remote terminal, a limited services office, or a  
12 service center.

13 \*b2365/1.2\* SECTION 346pr. 186.113 (1m) (a) (intro.) of the statutes is  
14 amended to read:

15 186.113 (1m) (a) (intro.) ~~Establish~~ Before the effective date of this paragraph  
16 ... [revisor inserts date], establish limited services offices outside this state to serve  
17 any member of the credit union if all of the following requirements are met:

18 \*b2365/1.2\* SECTION 346ps. 186.113 (6) (b) and (c) of the statutes are amended  
19 to read:

20 186.113 (6) (b) Act as trustees or custodians of member tax deferred retirement  
21 funds, individual retirement accounts, medical savings accounts, or other employee  
22 benefit accounts or funds permitted by federal law to be deposited in a credit union.

23 (c) Act as a depository for ~~member-deferred~~ member qualified and  
24 nonqualified deferred compensation funds as permitted by federal law.

25 \*b2365/1.2\* SECTION 346pt. 186.113 (24) of the statutes is created to read:

1           186.113 (24) FUNERAL TRUSTS. Accept deposits made by members for the  
2           purpose of funding burial agreements by trusts created pursuant to s. 445.125.

3           **\*b2365/1.2\* SECTION 346pu.** 186.20 of the statutes is created to read:

4           **186.20 Financial privacy.** A credit union shall comply with any applicable  
5           requirements under 15 USC 6801 to 6803 and any applicable regulations prescribed  
6           by the national credit union administration under 15 USC 6804.

7           **\*b2365/1.2\* SECTION 346pv.** 186.235 (7) (a) (intro.) of the statutes is amended  
8           to read:

9           186.235 (7) (a) (intro.) Employees of the office of credit unions and members  
10          of the review board shall keep secret all the facts and information obtained in the  
11          course of examinations, ~~except or contained in any report provided by a credit union~~  
12          other than any semiannual or quarterly financial report that is regularly filed with  
13          the office of credit unions. This requirement does not apply in any of the following  
14          situations:

15          **\*b2365/1.2\* SECTION 346pw.** 186.235 (7) (c) of the statutes is created to read:

16          186.235 (7) (c) If any person mentioned in par. (a) discloses any information  
17          about the private account or transactions of a credit union or any information  
18          obtained in the course of an examination of a credit union, except as provided in pars.  
19          (a) and (b), that person is guilty of a Class I felony.

20          **\*b2365/1.2\* SECTION 346px.** 186.235 (7m) of the statutes is created to read:

21          186.235 (7m) RETURN OF EXAMINATION REPORTS. Examination reports possessed  
22          by a credit union are confidential, remain the property of the office of credit unions,  
23          and shall be returned to the office of credit unions immediately upon request.

24          **\*b2365/1.2\* SECTION 346py.** 186.235 (16) (a) of the statutes is renumbered  
25          186.235 (16).

1           **\*b2365/1.2\* SECTION 346qd.** 186.235 (16) (b) of the statutes is repealed.

2           **\*b2365/1.2\* SECTION 346qe.** 186.235 (16m) of the statutes is created to read:

3           186.235 (16m) FINANCIAL PRIVACY EXAMINATION. The office of credit unions shall  
4 examine a credit union to determine the credit union’s compliance with s. 186.20.

5           **\*b2365/1.2\* SECTION 346qf.** 186.36 of the statutes is amended to read:

6           **186.36 Sale of insurance in credit unions.** Any officer or employee of a  
7 credit union, when acting as an agent for the sale of insurance on behalf of the credit  
8 union, shall pay all commissions received from the sale of ~~credit life insurance or~~  
9 ~~credit accident and sickness insurance~~ to the credit union.

10          **\*b2365/1.2\* SECTION 346qg.** 186.41 (title) of the statutes is amended to read:

11          **186.41 (title) Interstate ~~acquisition~~ acquisitions and merger mergers**  
12 **of credit unions.**

13          **\*b2365/1.2\* SECTION 346qh.** 186.41 (1) (a) of the statutes is renumbered  
14 186.41 (1) (bm) and amended to read:

15          186.41 (1) (bm) “~~In-state~~ Wisconsin credit union” means a credit union having  
16 its principal office located in this state.

17          **\*b2365/1.2\* SECTION 346qj.** 186.41 (1) (c) of the statutes is renumbered 186.41  
18 (1) (am) and amended to read:

19          186.41 (1) (am) “~~Regional Out-of-state~~ credit union” means a state or federal  
20 credit union ~~that has its~~ the principal office of which is located in ~~one of the regional~~  
21 states a state other than this state.

22          **\*b2365/1.2\* SECTION 346qk.** 186.41 (1) (d) of the statutes is repealed.

23          **\*b2365/1.2\* SECTION 346qL.** 186.41 (2) and (3) of the statutes are amended to  
24 read:

1           186.41 (2) ~~IN-STATE~~ WISCONSIN CREDIT UNION. (a) ~~An in-state~~ A Wisconsin credit  
2 union may do any of the following:

3           1. Acquire an interest in, or some or all of the assets and liabilities of, one or  
4 more ~~regional out-of-state~~ credit unions.

5           2. Merge with one or more ~~regional out-of-state~~ credit unions.

6           (b) ~~An in-state~~ A Wisconsin credit union proposing any action under par. (a)  
7 shall provide the office of credit unions a copy of any original application seeking  
8 approval by a federal agency or by an agency of ~~the regional~~ another state and of any  
9 supplemental material or amendments filed in connection with any application.

10           (3) ~~REGIONAL OUT-OF-STATE~~ CREDIT UNIONS. Except as provided in sub. (4), a  
11 ~~regional an out-of-state~~ credit union may do any of the following:

12           (a) Acquire an interest in, or some or all of the assets of, one or more ~~in-state~~  
13 Wisconsin credit unions.

14           (b) Merge with one or more ~~in-state~~ Wisconsin credit unions.

15           **\*b2365/1.2\* SECTION 346qm.** 186.41 (4) (intro.), (a) to (d) and (f) of the statutes  
16 are amended to read:

17           186.41 (4) LIMITATIONS. (intro.) ~~A regional~~ An out-of-state credit union may  
18 not take any action under sub. (3) until all of the following conditions have been met:

19           (a) The office of credit unions finds that the statutes of the ~~regional~~ state in  
20 which the ~~regional out-of-state~~ credit union has its principal office permit ~~in-state~~  
21 Wisconsin credit unions to both acquire ~~regional out-of-state~~ credit union assets and  
22 merge with one or more ~~regional out-of-state~~ credit unions in ~~the regional~~ that state.

23           (b) The office of credit unions has not disapproved the acquisition of ~~in-state~~  
24 Wisconsin credit union assets or the merger with the ~~in-state~~ Wisconsin credit union  
25 under sub. (5).

1 (c) The office of credit unions gives a class 3 notice, under ch. 985, in the official  
2 state newspaper, of the application to take an action under sub. (3) and of the  
3 opportunity for a hearing and, if at least 25 residents of this state petition for a  
4 hearing within 30 days of the final notice or if the office of credit unions on its own  
5 motion calls for a hearing within 30 days of the final notice, the office of credit unions  
6 holds a public hearing on the application, except that a hearing is not required if the  
7 office of credit unions finds that an emergency exists and that the proposed action  
8 under sub. (3) is necessary and appropriate to prevent the probable failure of an  
9 in-state Wisconsin credit union that is closed or in danger of closing.

10 (d) The office of credit unions is provided a copy of any original application  
11 seeking approval by a federal agency of the acquisition of in-state Wisconsin credit  
12 union assets or of the merger with an in-state Wisconsin credit union and of any  
13 supplemental material or amendments filed with the application.

14 (f) With regard to an acquisition of assets of an in-state Wisconsin credit  
15 union that is chartered on or after May 9, 1986, the in-state Wisconsin credit union  
16 has been in existence for at least 5 years before the date of acquisition.

17 \*b2365/1.2\* SECTION 346qn. 186.41 (5) (a), (b), (c) and (cr) of the statutes are  
18 amended to read:

19 186.41 (5) (a) Considering the financial and managerial resources and future  
20 prospects of the applicant and of the in-state Wisconsin credit union concerned, the  
21 action would be contrary to the best interests of the members of the in-state  
22 Wisconsin credit union.

23 (b) The action would be detrimental to the safety and soundness of the  
24 applicant or of the in-state Wisconsin credit union concerned, or to a subsidiary or  
25 affiliate of the applicant or of the in-state Wisconsin credit union.

1 (c) Because the applicant, its executive officers, or directors have not  
2 established a record of sound performance, efficient management, financial  
3 responsibility, and integrity, the action would be contrary to the best interests of the  
4 creditors, the members or, the other customers of the applicant or of the in-state, the  
5 Wisconsin credit union, or ~~contrary to the best interests of the public.~~

6 (cr) The applicant has failed to propose to provide adequate and appropriate  
7 services of the type contemplated by the community reinvestment act of 1977 in the  
8 community in which the ~~in-state~~ Wisconsin credit union which the applicant  
9 proposes to acquire or merge with is located.

10 \*b2365/1.2\* SECTION 346qp. 186.41 (6) (a) of the statutes is renumbered  
11 186.41 (6).

12 \*b2365/1.2\* SECTION 346qr. 186.41 (6) (b) of the statutes is repealed.

13 \*b2365/1.2\* SECTION 346qs. 186.41 (8) of the statutes is repealed.

14 \*b2365/1.2\* SECTION 346qt. 186.45 of the statutes is created to read:

15 **186.45 Non-Wisconsin credit union, Wisconsin offices. (1) DEFINITIONS.**

16 In this section:

17 (a) “Non-Wisconsin credit union” means a credit union organized under the  
18 laws of and with its principal office located in a state other than this state.

19 (b) “Wisconsin credit union” has the meaning given in s. 186.41 (1) (bm).

20 (2) APPROVAL. A non-Wisconsin credit union may open an office and conduct  
21 business as a credit union in this state if the office of credit unions finds that  
22 Wisconsin credit unions are allowed to do business in the other state under  
23 conditions similar to those contained in this section and that all of the following apply  
24 to the non-Wisconsin credit union:

1 (a) It is a credit union organized under laws similar to the credit union laws of  
2 this state.

3 (b) It is financially solvent based upon national board ratings.

4 (c) It has member savings insured with federal share insurance.

5 (d) It is effectively examined and supervised by the credit union authorities of  
6 the state in which it is organized.

7 (e) It has received approval from the credit union authorities of the state in  
8 which it is organized.

9 (f) It has a need to place an office in this state to adequately serve its members  
10 in this state.

11 (g) It meets all other relevant standards or qualifications established by the  
12 office of credit unions.

13 **(3) REQUIREMENTS.** A non–Wisconsin credit union shall agree to do all of the  
14 following:

15 (a) Grant loans at rates not in excess of the rates permitted for Wisconsin credit  
16 unions.

17 (b) Comply with this state’s laws.

18 (c) Designate and maintain an agent for the service of process in this state.

19 **(4) RECORDS.** As a condition of a non–Wisconsin credit union doing business in  
20 this state under this section, the office of credit unions may require copies of  
21 examination reports and related correspondence regarding the non–Wisconsin  
22 credit union.

23 **\*b2365/1.2\* SECTION 346qu.** 186.80 of the statutes is created to read:

24 **186.80 False statements.** (1) No officer, director, or employee of a credit  
25 union may do any of the following:



1 (a) Willfully and knowingly subscribe to or make, or cause to be made, a false  
2 statement or entry in the books of the credit union.

3 (b) Knowingly subscribe to or exhibit false information with the intent to  
4 deceive any person authorized to examine the affairs of the credit union.

5 (c) Knowingly make, state, or publish any false report or statement of the credit  
6 union.

7 (2) Any person who violates sub. (1) is guilty of a Class F felony.”

8 \*b2434/1.1\* **218.** Page 177, line 14: after that line insert:

9 \*b2434/1.1\* **SECTION 346c.** 196.491 (1) (q) of the statutes is created to read:  
10 196.491 (1) (q) “Ranney well” means a well in which the central shaft is fed by  
11 horizontal perforated pipes extending radially into an aquifer.

12 \*b2434/1.1\* **SECTION 346g.** 196.491 (1) (s) of the statutes is created to read:  
13 196.491 (1) (s) “Residential well” means a residential well on which  
14 construction has commenced before the date that a person provides the department  
15 with an engineering plan under sub. (3) (a) 3. a.

16 \*b2434/1.1\* **SECTION 346L.** 196.491 (1) (u) of the statutes is created to read:  
17 196.491 (1) (u) “Water withdrawing large electric generating facility” means  
18 a large electric generating facility that withdraws water from underground sources  
19 and for which the capacity and rate of withdrawal of all wells serving the facility,  
20 except for Ranney wells, exceeds 100,000 gallons per day.

21 \*b2434/1.1\* **SECTION 346p.** 196.491 (3) (a) 3. a. of the statutes is amended to  
22 read:

23 196.491 (3) (a) 3. a. At least 60 days before a person files an application under  
24 subd. 1., the person shall provide the department with an engineering plan showing

1 the location of the facility, a description of the facility, including the major  
2 components of the facility that have a significant air, water, or solid waste pollution  
3 potential, and a description of the anticipated effects of the facility on air and water  
4 quality, and, if the application is for a water withdrawing large electric generating  
5 facility, a description of the anticipated effects of the facility on residential wells.

6 Within 30 days after a person provides an engineering plan, the department shall  
7 provide the person with a listing of each department permit or approval which, on  
8 the basis of the information contained in the engineering plan, appears to be required  
9 for the construction or operation of the facility.

10 \*b2434/1.1\* SECTION 346t. 196.491 (3) (a) 3. b. of the statutes is amended to  
11 read:

12 196.491 (3) (a) 3. b. Within 20 days after the department provides a listing  
13 specified in subd. 3. a. to a person, the person shall apply for the permits and  
14 approvals identified in the listing. The department shall determine whether an  
15 application under this subd. 3. b. is complete and, no later than 30 days after the  
16 application is filed, notify the applicant about the determination. If the department  
17 determines that the application is incomplete, the notice shall state the reason for  
18 the determination. An applicant may supplement and refile an application that the  
19 department has determined to be incomplete. There is no limit on the number of  
20 times that an applicant may refile an application under this subd. 3. b. If the  
21 department fails to determine whether an application is complete within 30 days  
22 after the application is filed, the application shall be considered to be complete. ~~The~~  
23 ~~department shall complete action on an application under this subd. 3. b. for any~~  
24 ~~permit or approval that is required prior to construction of a facility within~~ Within  
25 120 days after the date on which the application is determined or considered to be

1 complete, the department shall complete action on the application for any permit or  
2 approval that is required prior to construction of the facility and, if the application  
3 is for a water withdrawing large electric generating facility, shall determine whether  
4 the facility will substantially reduce the availability of water to a residential well or  
5 cause a preventive action limit established under s. 160.15 to be exceeded in water  
6 produced by a residential well.

7 \*b2434/1.1\* **SECTION 346v.** 196.491 (3) (e) of the statutes is renumbered  
8 196.491 (3) (e) (intro.) and amended to read:

9 196.491 (3) (e) (intro.) If the application does not meet the criteria under par.  
10 (d), the commission shall reject the application or approve the application with such  
11 modifications as are necessary for an affirmative finding under par. (d). The  
12 commission may not issue a certificate of public convenience and necessity ~~until the~~  
13 unless each of the following is satisfied:

14 1. The department has issued all permits and approvals identified in the listing  
15 specified in par. (a) 3. a. that are required prior to construction.

16 \*b2434/1.1\* **SECTION 346x.** 196.491 (3) (e) 2. of the statutes is created to read:

17 196.491 (3) (e) 2. If the application is for a water withdrawing large electric  
18 generating facility, the department has determined under par. (a) 3. b. that the  
19 facility will not substantially reduce the availability of water to a residential well and  
20 will not cause a preventive action limit established under s. 160.15 to be exceeded  
21 in water produced by a residential well.”.

22 \*b2436/1.4\* **219.** Page 177, line 14: after that line insert:

23 \*b2436/1.4\* **SECTION 346d.** 196.374 (title) of the statutes is amended to read:

1           **196.374** (title) ~~Low-income assistance, energy efficiency and other~~  
2 ~~programs.~~

3           **\*b2436/1.4\* SECTION 346h.** 196.374 (2) (intro.) and (a) of the statutes are  
4 consolidated, renumbered 196.374 (2) and amended to read:

5           196.374 (2) The commission shall determine the amount that each utility spent  
6 in 1998 on programs for each of the following: ~~(a) Low-income~~ low-income  
7 assistance, including low-income weatherization and writing off uncollectibles and  
8 arrearages.

9           **\*b2436/1.4\* SECTION 346p.** 196.374 (2) (b), (c) and (d) of the statutes are  
10 repealed.

11           **\*b2436/1.4\* SECTION 346t.** 196.374 (4) of the statutes is repealed.”.

12           **\*b2474/2.16\* 220.** Page 177, line 14: after that line insert:

13           **\*b2474/2.16\* “SECTION 346td.** 197.04 (1) (b) and (2) of the statutes are  
14 amended to read:

15           197.04 (1) (b) If within either of the 90-day periods described in par. (a) a  
16 petition conforming to the requirements of s. 8.40 is filed with the clerk of the  
17 municipality as provided in s. 8.37 and the petition has been signed by 5% of the  
18 electors of a 1st class city or by 10% of the electors of all other municipalities  
19 requesting that the question of discontinuing the proceeding to acquire the plant or  
20 equipment of the public utility be submitted to the electors of the municipality, the  
21 applicable question under par. (c) shall be submitted to the electors at ~~any general~~  
22 ~~or regular municipal~~ the succeeding election authorized under s. 8.065 (2) or an  
23 election authorized under s. 8.065 (3) that is held not less than 42 and not more than  
24 47 days from the date of the filing of the petition. ~~If no general election or regular~~

1 ~~municipal election is to be held within the stated periods, the governing body of the~~  
2 ~~municipality shall order the holding of a special election, to be held not less than 42~~  
3 ~~days from the date of filing of the petition, for the purpose of submitting the question~~  
4 ~~to the electors.~~

5 (2) The governing body of the municipality may provide for notice of, the  
6 manner of holding, the method of voting on, the method of making returns of, and  
7 the method of canvassing and determining the result of, the election required under  
8 sub. (1). Notice of the election to the electors shall be given by a brief notice of that  
9 fact once a week for 3 weeks in some newspaper of general circulation published in  
10 the municipality. If no newspaper of general circulation is published in the  
11 municipality, publication may be made in any newspaper of general circulation in the  
12 county seat of the county in which the municipality is located. ~~The notice of holding~~  
13 ~~any special election shall be incorporated as a part of the notice given under this~~  
14 ~~subsection.~~

15 **\*b2474/2.16\* SECTION 346tf.** 197.10 (2) of the statutes is amended to read:

16 197.10 (2) Such contract when adopted by the common council of said city and  
17 accepted by the owner or owners of such public utility shall be submitted to the public  
18 service commission for its approval and upon such approval the same shall be filed  
19 as provided in s. 8.37 and submitted in such manner as the common council shall  
20 determine to a vote of the electors of such city at the next ~~regular municipal~~ election  
21 ~~or at a special election called for that purpose~~ authorized under s. 8.065 (2) or an  
22 election authorized under s. 8.065 (3) to be held not sooner than 45 days after  
23 approval of the commission, and such contract shall not become binding upon such  
24 city until approved by a majority vote of the qualified electors of such city voting  
25 thereon. No bonds shall in any case be issued by said city under the contract or

1 contracts mentioned in sub. (1), until the proposition of their issue shall have been  
2 submitted to the people of such city and adopted by a majority of the electors voting  
3 thereon.

4 **\*b2474/2.16\* SECTION 346th.** 198.19 (1) of the statutes is amended to read:

5 198.19 (1) Any territory, constituting one or more municipalities contiguous to  
6 a district may be annexed to and become a part of such district to all intents and  
7 purposes and with like effect as though originally included therein upon such terms  
8 and conditions as the board of directors of the district shall fix by ordinance adopted  
9 by the affirmative vote of two-thirds of the directors-elect, provided that before such  
10 ordinance becomes effective the same shall be accepted and ratified by the  
11 affirmative vote of a majority of the qualified electors entitled to vote and voting in  
12 a ~~special election~~ referendum called and held for that purpose, in accordance with  
13 s. 8.065, in each municipality proposed in such ordinance to be annexed to the  
14 district. Such ordinance shall be published and such election shall be noticed, held  
15 and conducted, as nearly as may be, in the manner provided by this chapter for the  
16 noticing, holding and conduct of elections upon the organization of a municipal power  
17 district, except that the returns of such election and the ballots therein shall be  
18 delivered to the clerk of the district. The results of said election shall be canvassed  
19 publicly by the directors of the district.”

20 **\*b2365/1.3\* 221.** Page 179, line 19: after that line insert:

21 **\*b2365/1.3\* “SECTION 352p.** 220.04 (9) (a) 2. of the statutes is amended to read:

22 220.04 (9) (a) 2. “Regulated entity” means a bank, universal bank, trust  
23 company bank, and any other entity ~~which~~ that is described in s. 220.02 (2) or  
24 221.0526 as under the supervision and control of the division.”.



1 and other forms of capital considered to be qualifying capital by a deposit insurance  
2 corporation.

3 (2) “Deposit insurance corporation” means the Federal Deposit Insurance  
4 Corporation or other instrumentality of, or corporation chartered by, the United  
5 States that insures deposits of financial institutions and that is supported by the full  
6 faith and credit of the U.S. government as stated in a congressional resolution.

7 (3) “Division” means the division of banking.

8 (4) “Financial institution” means a state savings bank organized under ch. 214,  
9 state savings and loan association organized under ch. 215, or state bank chartered  
10 under ch. 221.

11 (5) “Universal bank” means a financial institution that has been issued a  
12 certificate of authority under s. 222.0205.

13 (6) “Well-capitalized” has the meaning given in 12 USC 1831o (b) (1) (A).

14 **222.0103 Applicability. (1) SAVINGS BANKS.** A universal bank that is a savings  
15 bank organized under ch. 214 remains subject to all of the requirements, duties, and  
16 liabilities, and may exercise all of the powers, of a savings bank, except that, in the  
17 event of a conflict between this chapter and those requirements, duties, liabilities,  
18 or powers, this chapter shall control.

19 (2) **SAVINGS AND LOAN ASSOCIATIONS.** A universal bank that is a savings and loan  
20 association organized under ch. 215 remains subject to all of the requirements,  
21 duties, and liabilities, and may exercise all of the powers, of a savings and loan  
22 association, except that, in the event of a conflict between this chapter and those  
23 requirements, duties, liabilities, or powers, this chapter shall control.

24 (3) **BANKS.** A universal bank that is a bank chartered under ch. 221 remains  
25 subject to all of the requirements, duties, and liabilities, and may exercise all of the



1 powers, of a bank, except that, in the event of a conflict between this chapter and  
2 these requirements, duties, liabilities, or powers, this chapter shall control.

3 **222.0105 Fees.** The division may establish such fees as it determines are  
4 appropriate for documents filed with the division under this chapter and for services  
5 provided by the division under this chapter.

6 **222.0107 Administration.** (1) POWERS OF DIVISION. The division shall  
7 administer this chapter for all universal banks.

8 (2) RULE-MAKING AUTHORITY. The division may promulgate rules to administer  
9 and carry out this chapter. The division may establish additional limits or  
10 requirements on universal banks, if the division determines that the limits or  
11 requirements are necessary for the protection of depositors, members, investors, or  
12 the public.

13 SUBCHAPTER II

14 CERTIFICATION

15 **222.0201 Procedure.** (1) APPLICATION. A financial institution may apply to  
16 become certified as a universal bank by filing a written application with the division.  
17 The application shall include all information required by the division. The  
18 application shall be on the forms and in accordance with the procedures prescribed  
19 by the division.

20 (2) REVIEW BY DIVISION. An application submitted by a financial institution  
21 under sub. (1) shall either be approved or disapproved by the division, in writing,  
22 within 60 days after the date on which application is filed with the division. The  
23 division and the financial institution may mutually agree to extend the application  
24 period for an additional period of 60 days. The division shall approve an application  
25 if all of the applicable requirements under s. 222.0203 (1) are met.

1           **222.0203 Eligibility.** (1) REQUIREMENTS. The division may approve an  
2 application from a financial institution for certification as a universal bank only if  
3 all of the following requirements are met:

4           (a) The financial institution is chartered or organized, and regulated, under ch.  
5 214, 215, or 221 and has been in existence and continuous operation for a minimum  
6 of 3 years before the date of the application.

7           (b) The financial institution is well-capitalized.

8           (c) The financial institution does not exhibit a combination of financial,  
9 managerial, operational, and compliance weaknesses that is moderately severe or  
10 unsatisfactory, as determined by the division based upon the division's assessment  
11 of the financial institution's capital adequacy, asset quality, management capability,  
12 earnings quantity and quality, adequacy of liquidity, and sensitivity to market risk.

13           (d) During the 12-month period before the date of the application, the financial  
14 institution has not been the subject of an enforcement action, and there is no  
15 enforcement action pending against the financial institution by any state or federal  
16 financial institution regulatory agency, including the division.

17           (e) The most current evaluation prepared under 12 USC 2906 that the financial  
18 institution has received rates the financial institution as "outstanding" or  
19 "satisfactory" in helping to meet the credit needs of its entire community, including  
20 low-income and moderate-income neighborhoods, consistent with the safe and  
21 sound operation of the financial institution.

22           (f) If the financial institution has received from its federal functional regulator,  
23 as defined in 15 USC 6809 (2), a consumer compliance examination that contains  
24 information regarding the financial institution's compliance with 15 USC 6801 to  
25 6803 and any applicable regulations prescribed under 15 USC 6804, the most recent

1 such examination indicates, in the opinion of the division, that the financial  
2 institution is in substantial compliance with those statutes or regulations.

3 (2) FAILURE TO MAINTAIN ELIGIBILITY; LIMITATION OF AUTHORITY AND  
4 DECERTIFICATION. For any period during which a universal bank fails to meet the  
5 requirements under sub. (1), the division shall by order limit or restrict the exercise  
6 of the powers of the universal bank under this chapter. In addition to or lieu of  
7 limiting or restricting the universal bank's authority under this subsection, the  
8 division may by order revoke the universal bank's certificate of authority issued  
9 under s. 222.0205.

10 **222.0205 Certificate of authority.** Upon approval of an application for  
11 certification as a universal bank, the division shall issue to the applicant a certificate  
12 of authority stating that the financial institution is certified as a universal bank  
13 under this chapter.

14 **222.0207 Voluntary termination of certification.** A financial institution  
15 that is certified as a universal bank under this chapter may elect to terminate its  
16 certification by giving 60 days' prior written notice of the termination to the division.  
17 A termination under this section is effective only with the written approval of the  
18 division. A financial institution shall, as a condition to a termination under this  
19 section, terminate its exercise of all powers granted under this chapter before the  
20 termination of the certification. The division's written approval of a financial  
21 institution's termination under this section is void if the financial institution fails to  
22 satisfy the precondition to termination under this section.

23 SUBCHAPTER III

24 ORGANIZATION

1           **222.0301 Articles of incorporation and bylaws.** A universal bank shall  
2 continue to operate under its articles of incorporation and bylaws as in effect prior  
3 to certification as a universal bank or as such articles or bylaws may be subsequently  
4 amended in accordance with the provisions of the chapter under which the universal  
5 bank was organized or chartered.

6           **222.0303 Name.** (1) USE OF “BANK.” Notwithstanding ss. 214.035, 215.40 (1),  
7 and 215.60 (1) and subject to subs. (2) and (3) (b), a universal bank may use the word  
8 “bank” in its name, without having to include the word “savings.” Notwithstanding  
9 ss. 215.40 (1) and 215.60 (1) and subject to subs. (2) and (3) (b), a universal bank that  
10 is organized under ch. 215 and that uses the word “bank” in its name in accordance  
11 with this section need not include the words “savings and loan association” or  
12 “savings association” in its name.

13           (2) DISTINGUISHABILITY. Except as provided in sub. (3), the name of the  
14 universal bank shall be distinguishable upon the records of the division from all of  
15 the following names:

16           (a) The name of every other financial institution organized under the laws of  
17 this state.

18           (b) The name of every national bank or foreign bank authorized to transact  
19 business in this state.

20           (3) EXCEPTIONS. (a) A universal bank may apply to the division for authority  
21 to use a name that does not meet the requirements under sub. (2). The division may  
22 authorize the use of the name if any of the conditions under s. 221.0403 (2) (a) or (b)  
23 is met.

1 (b) A universal bank may use a name that is used in this state by another  
2 financial institution or by an institution authorized to transact business in this state,  
3 if the universal bank has done any of the following:

4 1. Merged with the other institution.

5 2. Been formed by reorganization of the other institution.

6 3. Acquired all or substantially all of the assets, including the name, of the  
7 other institution.

8 **222.0305 Capital and assets. (1) CAPITAL REQUIREMENTS.** Notwithstanding  
9 subch. VI of ch. 214 and ss. 215.24 and 221.0205, the division shall determine the  
10 minimum capital requirements of universal banks.

11 **(2) CERTAIN ASSET REQUIREMENTS.** Section 214.045 does not apply to universal  
12 banks.

13 **222.0307 Acquisitions, mergers, and asset purchases. (1) IN GENERAL.**  
14 A universal bank may, with the approval of the division, purchase the assets of,  
15 merge with, acquire, or be acquired by any other financial institution, universal  
16 bank, national bank, federally chartered savings bank, or savings and loan  
17 association, or by a holding company of any of these entities. Notwithstanding subch.  
18 III of ch. 214 and ss. 214.09 and 215.36, the approval of the division of savings and  
19 loan is not required.

20 **(2) APPLICATIONS FOR APPROVAL.** An application for approval under sub. (1) shall  
21 be submitted on a form prescribed by the division and accompanied by a fee  
22 determined by the division. In processing and acting on applications under this  
23 section the division shall apply the following standards:

24 (a) For universal banks organized under ch. 214, ss. 214.09, 214.62 to 214.64,  
25 and 214.665, and subch. III of ch. 214.

1 (b) For universal banks organized under ch. 215, ss. 215.35, 215.36, 215.53, and  
2 215.73.

3 (c) For universal banks chartered under ch. 221, subchs. VII and IX of ch. 221.

4 SUBCHAPTER IV

5 POWERS

6 **222.0401 Federal financial institution powers.** (1) IN GENERAL. (a)  
7 *Powers exercised by universal bank.* A universal bank, with the approval of the  
8 division, may exercise any power that may be directly exercised by a federally  
9 chartered savings bank, a federally chartered savings and loan association, or a  
10 federally chartered national bank.

11 (b) *Powers exercised by subsidiary of universal bank.* A universal bank,  
12 through a subsidiary and with the approval of the division, may exercise any power  
13 that a federally chartered savings bank, a federally chartered savings and loan  
14 association, or a federally chartered national bank may exercise through a  
15 subsidiary.

16 (2) APPROVAL REQUIRED FOR EXERCISE OF FEDERAL POWER. A universal bank shall  
17 file with the division a written request to exercise a power under sub. (1). The  
18 division shall determine whether the requested power is permitted under sub. (1).  
19 Within 60 days after receiving a request under this subsection, the division shall  
20 approve the request, if the power is permitted under sub. (1), or shall disapprove the  
21 request if the power is not permitted under sub. (1). The division and the universal  
22 bank may mutually agree to extend this 60-day period for an additional period of 60  
23 days.

24 (3) EXERCISE OF FEDERAL POWERS THROUGH A SUBSIDIARY. The division may  
25 require that certain powers exercisable by a universal bank under sub. (1) (a) be

1 exercised through a subsidiary of the universal bank with appropriate safeguards to  
2 limit the risk exposure of the universal bank.

3 **222.0403 Loan powers. (1) PERMITTED PURPOSES.** A universal bank may  
4 make, sell, purchase, arrange, participate in, invest in, or otherwise deal in loans or  
5 extensions of credit for any purpose.

6 (2) IN GENERAL. Except as provided in subs. (3) to (8), the total liabilities of any  
7 person, other than a municipal corporation, to a universal bank for a loan or  
8 extension of credit may not exceed 20% of the capital of the universal bank at any  
9 time. In determining compliance with this section, liabilities of a partnership  
10 include the liabilities of the general partners, computed individually as to each  
11 general partner on the basis of his or her direct liability.

12 (3) CERTAIN SECURED LIABILITIES. The percentage limitation under sub. (2) is  
13 50% of the universal bank's capital, if the liabilities under sub. (2) are limited to the  
14 following types of liabilities:

15 (a) *Warehouse receipts.* A liability secured by warehouse receipts issued by  
16 warehouse keepers who are licensed and bonded in this state under ss. 99.02 and  
17 99.03 or under the federal Bonded Warehouse Act or who hold a registration  
18 certificate under ch. 127, if all of the following requirements are met:

- 19 1. The receipts cover readily marketable nonperishable staples.
- 20 2. The staples are insured, if it is customary to insure the staples.
- 21 3. The market value of the staples is not, at any time, less than 140% of the face  
22 amount of the obligation.

23 (b) *Certain bonds or notes.* A liability in the form of a note or bond that meets  
24 any of the following qualifications:

1           1. The note or bond is secured by not less than a like amount of bonds or notes  
2 of the United States issued since April 24, 1917, or certificates of indebtedness of the  
3 United States.

4           2. The note or bond is secured or covered by guarantees or by commitments or  
5 agreements to take over, or to purchase, the bonds or notes, and the guarantee,  
6 commitment, or agreement is made by a federal reserve bank, the federal small  
7 business administration, the federal department of defense, or the federal maritime  
8 commission.

9           3. The note or bond is secured by mortgages or trust deeds insured by the  
10 federal housing administration.

11           (4) OBLIGATIONS OF LOCAL GOVERNMENTAL UNITS. (a) *Definition.* In this  
12 subsection, “local governmental unit” has the meaning given in s. 16.97 (7).

13           (b) *General limitation.* Except as otherwise provided in this subsection, the  
14 total liabilities of a local governmental unit to a universal bank for money borrowed  
15 may not, at any time, exceed 25% of the capital of the universal bank.

16           (c) *Revenue obligations.* Liabilities in the form of revenue obligations of a local  
17 governmental unit are subject to the limitations provided in par. (b). In addition, a  
18 universal bank is permitted to invest in a general obligation of that local  
19 governmental unit in an amount that will bring the combined total of the general  
20 obligations and revenue obligations of a single local governmental unit to a sum not  
21 in excess of 50% of the capital of the universal bank.

22           (d) *General obligations.* If the liabilities of the local governmental unit are in  
23 the form of bonds, notes, or other evidences of indebtedness that are a general  
24 obligation of a local governmental unit, the total liability of the local governmental  
25 unit may not exceed 50% of the capital of the universal bank.



1           (e) *Temporary borrowings.* The total amount of temporary borrowings of any  
2 local governmental unit maturing within one year after the date of issue may not  
3 exceed 60% of the capital of the universal bank. Temporary borrowings and  
4 longer-term general obligation borrowings of a single local governmental unit may  
5 be considered separately in determining compliance with this subsection.

6           **(5) OBLIGATIONS OF CERTAIN INTERNATIONAL ORGANIZATIONS; OTHER FOREIGN BONDS.**  
7 A universal bank may purchase bonds offered for sale by the International Bank for  
8 Reconstruction and Development and the Inter-American Development Bank or  
9 any other foreign bonds approved under rules established by the division. The  
10 aggregate investment in any of these bonds issued by a single issuer may not exceed  
11 10% of the capital of the universal bank.

12           **(6) FOREIGN NATIONAL GOVERNMENT BONDS.** A universal bank may purchase  
13 general obligation bonds issued by any foreign national government if the bonds are  
14 payable in United States funds. The aggregate investment in these foreign bonds  
15 may not exceed 3% of the capital of the universal bank, except that this limitation  
16 does not apply to bonds of the Canadian government and Canadian provinces that  
17 are payable in United States funds.

18           **(7) LIMITS ESTABLISHED BY BOARD.** (a) *When financial statements required.* A  
19 universal bank may not make or renew a loan or loans, the aggregate total of which  
20 exceeds the level established by the board of directors without being supported by a  
21 signed financial statement of the borrower, unless the loan is secured by collateral  
22 having a value in excess of the amount of the loan. A signed financial statement  
23 furnished by the borrower to a universal bank in compliance with this paragraph  
24 must be renewed annually as long as the loan or any renewal of the loan remains  
25 unpaid and is subject to this paragraph.

1           (b) *Treatment of loans complying with limits.* A loan or a renewal of a loan made  
2 by a universal bank in compliance with par. (a), without a signed financial statement,  
3 may be treated by the universal bank as entirely independent of any secured loan  
4 made to the same borrower if the loan does not exceed the applicable limitations  
5 provided in this section.

6           (8) EXCEPTIONS. This section does not apply to any of the following:

7           (a) *Liabilities secured by certain short-term federal obligations.* A liability that  
8 is secured by not less than a like amount of direct obligations of the United States  
9 which will mature not more than 18 months after the date on which such liabilities  
10 to the universal bank are entered into.

11           (b) *Certain federal and state obligations or guaranteed obligations.* A liability  
12 that is a direct obligation of the United States or this state, or an obligation of any  
13 governmental agency of the United States or this state, that is fully and  
14 unconditionally guaranteed by the United States or this state.

15           (c) *Commodity Credit Corporation liabilities.* A liability in the form of a note,  
16 debenture, or certificate of interest of the Commodity Credit Corporation.

17           (d) *Discounting bills of exchange or business or commercial paper.* A liability  
18 created by the discounting of bills of exchange drawn in good faith against actually  
19 existing values or the discounting of commercial or business paper actually owned  
20 by the person negotiating the same.

21           (e) *Certain other federal or federally guaranteed obligations.* Obligations of, or  
22 obligations that are fully guaranteed by, the United States and obligations of any  
23 federal reserve bank, federal home loan bank, the Student Loan Marketing  
24 Association, the Government National Mortgage Association, the Federal National

1 Mortgage Association, the Federal Home Loan Mortgage Corporation, the  
2 Export–Import Bank of Washington, or the Federal Deposit Insurance Corporation.

3 (9) ADDITIONAL AUTHORITY. (a) *In general.* In addition to the authority  
4 granted under subs. (1) to (8), and except as provided in par. (b), a universal bank may  
5 lend under this subsection, through the universal bank or subsidiary of the universal  
6 bank, to all borrowers from the universal bank and all of its subsidiaries, an  
7 aggregate amount not to exceed 20% of the universal bank's capital. Neither a  
8 universal bank nor any subsidiary of the universal bank may lend to any borrower,  
9 under this subsection and any other law or rule, an amount that would result in an  
10 aggregate amount for all loans to that borrower that exceeds 20% of the universal  
11 bank's capital. A universal bank or its subsidiary may take an equity position or  
12 other form of interest as security in a project funded through loans made under this  
13 paragraph. Every transaction by a universal bank or its subsidiary under this  
14 paragraph requires prior approval by the governing board of the universal bank or  
15 its subsidiary, respectively. Loans made under this paragraph are not subject to s.  
16 221.0326 or to classification as losses, for a period of 2 years from the date of each loan  
17 except as provided in par. (b).

18 (b) *Suspension of additional authority.* The division may suspend authority  
19 established under par. (a) and, in such case, may specify how an outstanding loan  
20 shall be treated by the universal bank or its subsidiary. Among the factors that the  
21 division may consider in suspending authority under par. (a) are the universal bank's  
22 capital adequacy, asset quality, earnings quantity, earnings quality, adequacy of  
23 liquidity, and sensitivity to market risk and the ability of the universal bank's  
24 management.

1           **(10) EXERCISE OF LOAN POWERS; PROHIBITED CONSIDERATIONS.** In determining  
2 whether to make a loan or extension of credit, no universal bank may consider any  
3 health information obtained from the records of an affiliate of the universal bank  
4 that is engaged in the business of insurance, unless the person to whom the health  
5 information relates consents.

6           **222.0405 Investment powers. (1) INVESTMENT SECURITIES.** Except as  
7 provided in subs. (3) to (8), a universal bank may purchase, sell, underwrite, and hold  
8 investment securities, consistent with safe and sound banking practices, up to 100%  
9 of the universal bank's capital. A universal bank may not invest greater than 20%  
10 of the universal bank's capital in the investment securities of one obligor or issuer.  
11 In this subsection, "investment securities" includes commercial paper, banker's  
12 acceptances, marketable securities in the form of bonds, notes, debentures, and  
13 similar instruments that are regarded as investment securities.

14           **(2) EQUITY SECURITIES.** Except as provided in subs. (3) to (8), a universal bank  
15 may purchase, sell, underwrite, and hold equity securities, consistent with safe and  
16 sound banking practices, up to 20% of capital or, if approved by the division in  
17 writing, a greater percentage of capital.

18           **(3) HOUSING ACTIVITIES.** With the prior written consent of the division, a  
19 universal bank may invest in the initial purchase and development, or the purchase  
20 or commitment to purchase after completion, of home sites and housing for sale or  
21 rental, including projects for the reconstruction, rehabilitation, or rebuilding of  
22 residential properties to meet the minimum standards of health and occupancy  
23 prescribed for a local governmental unit, the provision of accommodations for retail  
24 stores, shops, and other community services that are reasonably incident to that  
25 housing, or in the stock of a corporation that owns one or more of those projects and

1 that is wholly owned by one or more financial institutions. The total investment in  
2 any one project may not exceed 15% of the universal bank's capital, nor may the  
3 aggregate investment under this subsection exceed 50% of capital. A universal bank  
4 may not make an investment under this subsection unless it is in compliance with  
5 the capital requirements set by the division under s. 222.0305 (1) and with the capital  
6 maintenance requirements of its deposit insurance corporation.

7 (4) PROFIT-PARTICIPATION PROJECTS. A universal bank may take equity positions  
8 in profit-participation projects, including projects funded through loans from the  
9 universal bank, in an aggregate amount not to exceed 20% of capital. The division  
10 may suspend the investment authority under this subsection. If the division  
11 suspends the investment authority under this subsection, the division may specify  
12 how outstanding investments under this subsection shall be treated by the universal  
13 bank or its subsidiary. Among the factors that the division may consider in  
14 suspending authority under this subsection are the universal bank's capital  
15 adequacy, asset quality, earnings quantity, earnings quality, adequacy of liquidity,  
16 and sensitivity to market risk and the ability of the universal bank's management.  
17 This subsection does not authorize a universal bank, directly or indirectly through  
18 a subsidiary, to engage in the business of underwriting insurance.

19 (5) DEBT INVESTMENTS. A universal bank may invest in bonds, notes,  
20 obligations, and liabilities described under s. 222.0403 (3) to (7), subject to the  
21 limitations under those subsections.

22 (6) CERTAIN LIABILITIES. This section does not limit investment in the  
23 liabilities described in s. 222.0403 (8).

24 (7) CERTAIN INVESTMENTS. A universal bank may invest without limitation in  
25 any of the following:

1           (a) *Business development corporations.* Stocks or obligations of a corporation  
2 organized for business development by this state or by the United States or by an  
3 agency of this state or the United States.

4           (b) *Urban renewal investment corporations.* Obligations of an urban renewal  
5 investment corporation organized under the laws of this state or of the United States.

6           (c) *Certain bank insurance companies.* An equity interest in an insurance  
7 company or an insurance holding company organized to provide insurance for  
8 universal banks and for persons affiliated with universal banks, solely to the extent  
9 that this ownership is a prerequisite to obtaining directors' and officers' insurance  
10 or blanket bond insurance for the universal bank through the company.

11           (d) *Certain remote service unit corporations.* Shares of stock, whether  
12 purchased or otherwise acquired, in a corporation acquiring, placing, and operating  
13 remote service units under s. 214.04 (21) or 215.13 (46) or bank communications  
14 terminals under s. 221.0303 (2).

15           (e) *Service corporations.* Equity or debt securities or instruments of a service  
16 corporation subsidiary of the universal bank.

17           (f) *Federal funds.* Advances of federal funds.

18           (g) *Certain risk management financial products.* With the prior written  
19 approval of the division, financial futures transactions, financial options  
20 transactions, forward commitments, or other financial products for the purpose of  
21 reducing, hedging, or otherwise managing its interest rate risk exposure.

22           (h) *Certain fiduciaries.* A subsidiary organized to exercise corporate fiduciary  
23 powers under ch. 112.

24           (i) *Agricultural credit corporations.* An agricultural credit corporation. Unless  
25 a universal bank owns at least 80% of the stock of the agricultural credit corporation,

1 a universal bank may not invest more than 20% of the universal bank's capital in the  
2 agricultural credit corporation.

3 (j) *Deposit accounts and insured obligations.* Deposit accounts or insured  
4 obligations of any financial institution, the accounts of which are insured by a deposit  
5 insurance corporation.

6 (k) *Certain federal obligations.* Obligations of, or obligations that are fully  
7 guaranteed by, the United States and stocks or obligations of any federal reserve  
8 bank, federal home loan bank, the Student Loan Marketing Association, the  
9 Government National Mortgage Association, the Federal National Mortgage  
10 Association, the Federal Home Loan Mortgage Corporation, or the Federal Deposit  
11 Insurance Corporation.

12 (L) *Other investments.* Any other investment authorized by the division.

13 (8) INVESTMENTS IN OTHER FINANCIAL INSTITUTIONS. In addition to the authority  
14 granted under ss. 222.0307 and 222.0409, and subject to the limitations of sub. (2),  
15 a universal bank may invest in other financial institutions.

16 (9) INVESTMENTS THROUGH SUBSIDIARIES. A universal bank may make  
17 investments under this section, directly or indirectly through a subsidiary, unless  
18 the division determines that an investment shall be made through a subsidiary with  
19 appropriate safeguards to limit the risk exposure of the universal bank.

20 **222.0407 Universal bank purchase of its own stock.** (1) IN GENERAL. A  
21 universal bank may hold or purchase not more than 10% of its capital stock, notes,  
22 or debentures, except as provided in sub. (2) or (3).

23 (2) DIVISION APPROVAL. A universal bank may hold or purchase more than 10%  
24 of its capital stock, notes, or debentures, if approved by the division.

1           **(3) ADDITIONAL AUTHORITY.** A universal bank may hold or purchase more than  
2           10% of its capital stock, notes, or debentures if the purchase is necessary to prevent  
3           loss upon a debt previously contracted in good faith. Stock, notes, or debentures held  
4           or purchased under this subsection may not be held by the universal bank for more  
5           than 6 months if the stock, notes, or debentures can be sold for the amount of the  
6           claim of the universal bank against the holder of the debt previously contracted. The  
7           universal bank shall either sell the stock, notes, or debentures within 12 months of  
8           acquisition under this subsection or shall cancel the stock, notes, or debentures.  
9           Cancellation of the stock, notes, or debentures reduces the amount of the universal  
10          bank's capital stock, notes, or debentures. If the reduction reduces the universal  
11          bank's capital below the minimum level required by the division, the universal bank  
12          shall increase its capital to the amount required by the division.

13          **(4) LOANS SECURED BY CAPITAL, SURPLUS, OR DEPOSITS.** A universal bank may not  
14          loan any part of its capital, surplus, or deposits on its own capital stock, notes, or  
15          debentures as collateral security, except that a universal bank may make a loan  
16          secured by its own capital stock, notes, or debentures to the same extent that the  
17          universal bank may make a loan secured by the capital stock, notes, and debentures  
18          of a holding company for the universal bank.

19          **222.0409 Stock in bank-owned banks.** With the approval of the division,  
20          a universal bank may acquire and hold stock in one or more banks chartered under  
21          s. 221.1202 or national banks chartered under 12 USC 27 (b) or in one or more  
22          holding companies wholly owning such a bank. Aggregate investments under this  
23          section may not exceed 10% of the universal bank's capital.

24          **222.0411 General deposit powers. (1) IN GENERAL.** A universal bank may  
25          set eligibility requirements for, and establish the types and terms of, deposits that



1 the universal bank solicits and accepts. The terms set under this subsection may  
2 include minimum and maximum amounts that the universal bank may accept and  
3 the frequency and computation method of paying interest.

4 (2) PLEDGE OF SECURITY FOR DEPOSITS. Subject to the limitations of s. 221.0324  
5 that are applicable to banks, a universal bank may pledge its assets as security for  
6 deposits.

7 (3) SECURITIZATION OF ASSETS. With the approval of the division, a universal  
8 bank may securitize its assets for sale to the public. The division may establish  
9 procedures governing the exercise of authority granted under this subsection.

10 (4) SAFE DEPOSIT POWERS. A universal bank may take and receive, from any  
11 individual or corporation for safekeeping and storage, gold and silver plate, jewelry,  
12 money, stocks, securities, and other valuables or personal property, and may rent out  
13 the use of safes or other receptacles upon its premises for such compensation as may  
14 be agreed upon. A universal bank has a lien for its charges on any property taken  
15 or received by it for safekeeping. If the lien is not paid within 2 years from the date  
16 the lien accrues, or if property is not called for by the person depositing the property,  
17 or by his or her representative or assignee, within 2 years from the date the lien  
18 accrues, the universal bank may sell the property at public auction. A universal bank  
19 shall provide the same notice for a sale under this subsection that is required by law  
20 for sales of personal property on execution. After retaining from the proceeds of the  
21 sale all of the liens and charges due the bank and the reasonable expenses of the sale,  
22 the universal bank shall pay the balance to the person depositing the property, or to  
23 his or her representative or assignee.

24 **222.0413 Necessary or convenient powers, reasonably related or**  
25 **incidental activities, and other approved activities. (1) NECESSARY OR**

1 CONVENIENT POWERS. Unless otherwise prohibited or limited by this chapter, a  
2 universal bank may exercise all powers necessary or convenient to effect the  
3 purposes for which the universal bank is organized or to further the businesses in  
4 which the universal bank is lawfully engaged.

5 (2) REASONABLY RELATED AND INCIDENTAL ACTIVITIES. (a) Subject to any  
6 applicable state or federal regulatory or licensing requirements, a universal bank  
7 may engage, directly or indirectly through a subsidiary, in activities reasonably  
8 related or incident to the purposes of the universal bank. Activities reasonably  
9 related or incident to the purposes of the universal bank are those activities that are  
10 part of the business of financial institutions, or closely related to the business of  
11 financial institutions, or convenient and useful to the business of financial  
12 institutions, or reasonably related or incident to the operation of financial  
13 institutions, or financial in nature. Activities that are reasonably related or incident  
14 to the purposes of a universal bank include the following:

- 15 1. Business and professional services.
- 16 2. Data processing.
- 17 3. Courier and messenger services.
- 18 4. Credit-related activities.
- 19 5. Consumer services.
- 20 6. Real estate-related services, including real estate brokerage services.
- 21 7. Insurance and related services, other than insurance underwriting.
- 22 8. Securities brokerage.
- 23 9. Investment advice.
- 24 10. Securities and bond underwriting.
- 25 11. Mutual fund activities.

1           12. Financial consulting.

2           13. Tax planning and preparation.

3           14. Community development and charitable activities.

4           15. Debt cancellation contracts.

5           16. Any activities that are reasonably related or incident to activities under  
6           subds. 1. to 15., as determined by rule of the division under par. (b).

7           (b) An activity that is authorized by statute or regulation for financial  
8           institutions to engage in as of the effective date of this paragraph .... [revisor inserts  
9           date], is an activity that is reasonably related to or incident to the purposes of a  
10          universal bank. An activity permitted under the Bank Holding Company Act is an  
11          activity that is reasonably related to or incident to the purposes of a universal bank.  
12          The division may, by rule, expand the list of activities under par. (a) 1. to 15. that are  
13          reasonably related or incident to the purposes of a universal bank and, by rule, may  
14          establish which activities under par. (a) 16. are reasonably related or incident to the  
15          activities under par. (a) 1. to 15. Any activity approved by rule of the division under  
16          this paragraph shall be authorized for all universal banks.

17          (3) NOTICE REQUIREMENT. A universal bank shall give 60 days' prior written  
18          notice to the division of the universal bank's intention to engage in an activity under  
19          this section.

20          (4) STANDARDS FOR DENIAL. The division may deny the authority of a universal  
21          bank to engage in an activity under this section, other than those activities described  
22          in sub. (2) (a) 1. to 15., if the division determines that the activity is not an activity  
23          reasonably related or incident to the purposes of a universal bank. The division may  
24          deny the authority of a universal bank to engage in an activity under this section if  
25          the division determines that the universal bank is not well-capitalized, that the

1 universal bank is the subject of an enforcement action, or that the universal bank  
2 does not have satisfactory management expertise for the proposed activity.

3 (5) INSURANCE INTERMEDIATION. A universal bank, or an officer or salaried  
4 employee of a universal bank, may obtain a license as an insurance intermediary, if  
5 otherwise qualified. A universal bank may not, directly or indirectly through a  
6 subsidiary, engage in the business of underwriting insurance.

7 (6) OTHER ACTIVITIES APPROVED BY THE DIVISION. A universal bank may engage  
8 in any other activity that is approved by rule of the division.

9 (7) ACTIVITIES PROVIDED THROUGH A SUBSIDIARY. A universal bank may engage  
10 in an activity under this section, directly or indirectly through a subsidiary, unless  
11 the division determines that the activity must be conducted through a subsidiary  
12 with appropriate safeguards to limit the risk exposure of the universal bank.

13 (8) LIMITATIONS ON INVESTMENTS THROUGH SUBSIDIARIES. The amount of the  
14 investment in any one subsidiary that engages in an activity under this section may  
15 not exceed 20% of capital or, if approved by the division, a higher percentage  
16 authorized by the division. The aggregate investment in all subsidiaries that engage  
17 in an activity under this subsection may not exceed 50% of capital or, if approved by  
18 the division, a higher percentage authorized by the division.

19 (9) OWNERSHIP OF SUBSIDIARIES. A subsidiary that engages in an activity under  
20 this section may be owned jointly, with one or more other financial institutions,  
21 individuals, or entities.

22 **222.0415 Trust powers.** Subject to rules of the division, a universal bank may  
23 exercise trust powers in accordance with s. 221.0316.”

24 \*b2365/1.6\* **224.** Page 180, line 20: after that line insert:

1           **\*b2365/1.6\*** “SECTION 359j. 227.245 of the statutes is created to read:

2           **227.245 Permanent rules; exemptions.** (1) PROMULGATION OF UNIVERSAL  
3 BANKING RULES. Except as provided in subs. (2) and (3), the division of banking may  
4 promulgate a rule under s. 222.0413 (2) (b) without complying with the notice,  
5 hearing, and publication procedures under this chapter.

6           (2) FILING AND PUBLICATION. The division of banking shall file a rule described  
7 under sub. (1) as provided in s. 227.20. At the time that the rule is filed, the division  
8 of banking shall mail a copy of the rule to the chief clerk of each house and to each  
9 member of the legislature, shall publish in the official state newspaper a class 1  
10 notice under ch. 985 containing a copy of the rule, and shall take any other step it  
11 considers feasible to make the rule known to persons who will be affected by the rule.

12           (3) EFFECTIVE DATE. A rule described under sub. (1) takes effect as provided  
13 under s. 227.22.”.

14           **\*b2498/2.2\*** **225.** Page 180, line 20: after that line insert:

15           **\*b2498/2.2\*** “SECTION 362m. 230.08 (2) (e) 8. of the statutes is amended to  
16 read:

17           230.08 (2) (e) 8. Natural resources — 7 6.”.

18           **\*b2488/2.8\*** **226.** Page 180, line 25: after that line insert:

19           **\*b2488/2.8\*** “SECTION 365c. 230.08 (2) (yr) of the statutes is repealed.”.

20           **\*b2416/1.1\*** **227.** Page 181, line 15: after that line insert:

21           **\*b2416/1.1\*** “SECTION 365j. 231.01 (4m) of the statutes is amended to read:

22           231.01 (4m) “Educational facility” means a facility used for education by a  
23 regionally accredited, private, ~~postsecondary~~ educational institution that is  
24 described in section 501 (c) (3) of the Internal Revenue Code, as defined in s. 71.22

1 (4), and that is exempt from federal taxation under section 501 (a) of the Internal  
2 Revenue Code.”

3 \*b2391/1.10\* **228.** Page 182, line 9: after that line insert:

4 \*b2391/1.10\* “SECTION 367p. 250.01 (6g) of the statutes is created to read:

5 250.01 (6g) “Public health authority” means the department, if the governor  
6 declares under s. 166.03 (1) (b) 1. a state of emergency related to public health and  
7 designates the department as the lead state agency to respond to that emergency.

8 \*b2391/1.10\* SECTION 367q. 250.01 (6r) of the statutes is created to read:

9 250.01 (6r) “Public health emergency” has the meaning given in s. 166.02 (7).

10 \*b2391/1.10\* SECTION 367r. 250.03 (3) of the statutes is created to read:

11 250.03 (3) (a) No later than 90 days after a state of emergency relating to public  
12 health is declared and the department is designated under s. 166.03 (1) (b) 1. as the  
13 lead state agency to respond to that emergency and no later than 90 days after the  
14 termination of this state of emergency relating to public health, the department shall  
15 submit to the legislature under s. 13.172 (2) and to the governor a report on all of the  
16 following:

17 1. The emergency powers used by the public health authority or its agents.

18 2. The expenses incurred by the public health authority and its agents in acting  
19 under the state of emergency related to public health.

20 \*b2391/1.10\* SECTION 367s. 250.03 (3) (b) of the statutes is created to read:

21 250.03 (3) (b) Biennially, beginning on July 1, 2002, after first consulting with  
22 the adjutant general, local health departments, health care providers, as defined in  
23 s. 146.81 (1), and law enforcement agencies, as defined in s. 165.77 (1) (b), the  
24 department shall submit to the legislature under s. 13.172 (2) and to the governor

1 a report on the preparedness of the public health system to address public health  
2 emergencies.

3 \*b2391/1.10\* SECTION 367t. 250.042 of the statutes is created to read:

4 **250.042 Powers and duties of the department as public health**  
5 **authority. (1)** If the governor declares a state of emergency related to public health  
6 under s. 166.03 (1) (b) 1. and designates the department as the lead state agency to  
7 respond to that emergency, the department shall act as the public health authority  
8 during the period of the state of emergency. During the period of the state of  
9 emergency, the secretary may designate a local health department as an agent of the  
10 department and confer upon the local health department, acting under that agency,  
11 the powers and duties of the public health authority. The department may, from the  
12 appropriation under s. 20.435 (1) (e), reimburse a local health department for  
13 reasonable and necessary expenses in acting as an agent of the department if  
14 designated under this subsection.

15 (2) As the public health authority, the department may do any of the following:

16 (a) From the appropriation under s. 20.435 (1) (e), purchase, store, or distribute  
17 antitoxins, serums, vaccines, immunizing agents, antibiotics, and other  
18 pharmaceutical agents or medical supplies that the department determines are  
19 advisable to control a public health emergency.

20 (b) Act as specified in s. 252.041.

21 (3) (a) As the public health authority, the department shall inform state  
22 residents of all of the following:

23 1. When a state of emergency related to public health has been declared or is  
24 terminated.

25 2. How to protect themselves from a public health emergency.

1           3. What actions the public health authority is taking to control a public health  
2 emergency.

3           (b) The public health authority shall provide the information specified in par.  
4 (a) by all available and reasonable means calculated to inform the general public,  
5 including reasonable efforts to make the information accessible to individuals with  
6 disabilities and to provide the information in the primary languages of individuals  
7 who do not understand English.

8           (c) As the public health authority, the department, to the extent possible, shall  
9 consult with local health departments, whether or not designated as agents of the  
10 department, and with individual health care providers.”.

11           **\*b2391/1.11\* 229.** Page 182, line 10: after that line insert:

12           **\*b2391/1.11\* “SECTION 368d.** 251.05 (3) (e) of the statutes is created to read:  
13 251.05 (3) (e) Act as agent of the department, if designated by the secretary  
14 under s. 250.042 (1).

15           **\*b2391/1.11\* SECTION 368f.** 252.02 (title) of the statutes is amended to read:  
16 **252.02 (title) Powers and duties of department.**

17           **\*b2391/1.11\* SECTION 368h.** 252.02 (7) of the statutes is created to read:  
18 252.02 (7) The department shall promulgate rules that specify medical  
19 conditions treatable by prescriptions or nonprescription drug products for which  
20 pharmacists and pharmacies must report under s. 440.142 (1).

21           **\*b2391/1.11\* SECTION 368j.** 252.041 of the statutes is created to read:  
22 **252.041 Compulsory vaccination during a state of emergency. (1)**  
23 Except as provided in sub. (2), during the period under which the department is  
24 designated as the lead state agency, as specified in s. 250.042 (2), the department,



1 as the public health authority, may do all of the following as necessary to address a  
2 public health emergency:

3 (a) Order any individual to receive a vaccination unless the vaccination is  
4 reasonably likely to lead to serious harm to the individual or unless the individual,  
5 for reasons of religion or conscience, refuses to obtain the vaccination.

6 (b) Isolate or quarantine, under s. 252.06, any individual who is unable or  
7 unwilling for reasons specified under sub. (1) to receive vaccination under par. (a).

8 (2) The department shall promulgate rules that specify circumstances, if any,  
9 under which vaccination may not be performed on an individual.

10 \*b2391/1.11\* SECTION 368L. 252.05 (1) of the statutes is amended to read:

11 252.05 (1) Any person licensed, permitted, registered or certified under ch. 441  
12 or 448 knowing or having health care provider, as defined in s. 146.81 (1), who knows  
13 or has reason to ~~know~~ believe that a person treated or visited by him or her has a  
14 communicable disease, or having a communicable disease, has died, shall report the  
15 appearance of the communicable disease or the death to the local health officer. The  
16 local health officer shall report this information to the department or shall direct the  
17 person reporting to report to the department. Any person directed to report shall  
18 submit this information to the department.

19 \*b2391/1.11\* SECTION 368n. 252.06 (1) of the statutes is amended to read:

20 252.06 (1) The department or the local health officer acting on behalf of the  
21 department may require isolation of ~~the patient~~ a patient or of an individual under  
22 s. 252.041 (1) (b), quarantine of contacts, concurrent and terminal disinfection, or  
23 modified forms of these procedures as may be necessary and ~~which are~~ as are  
24 determined by the department by rule.

1           **\*b2391/1.11\* SECTION 368p.** 252.06 (4) of the statutes is renumbered 252.06  
2 (4) (a).

3           **\*b2391/1.11\* SECTION 368r.** 252.06 (4) (b) of the statutes is created to read:  
4 252.06 (4) (b) If s. 250.042 (1) applies, all of the following apply:

5           1. No person, other than a person authorized by the public health authority or  
6 agent of the public health authority, may enter an isolation or quarantine premises.

7           2. A violation of subd. 1. is subject to a fine not to exceed \$10,000 or  
8 imprisonment not to exceed 9 months, or both.

9           3. Any person, whether authorized under subd. 1. or not, who enters an  
10 isolation or quarantine premises may be subject to isolation or quarantine under this  
11 section.

12           **\*b2391/1.11\* SECTION 368t.** 252.06 (10) (c) of the statutes is created to read:  
13 252.06 (10) (c) The expense of providing a reasonable means of communication

14 for a person who is quarantined outside his or her home during a state of emergency  
15 related to public health shall be paid under either of the following, as appropriate:

16           1. If the governor designates the department as the lead state agency under s.  
17 166.03 (1) (b) 1., from the appropriation under s. 20.435 (1) (e).

18           2. If the governor does not designate the department as the lead state agency  
19 under s. 166.03 (1) (b) 1., from the appropriation under s. 20.465 (3) (e).”.

20           **\*b2394/2.2\* 230.** Page 182, line 10: delete that line and substitute:

21           **\*b2394/2.2\* “SECTION 368m.** 250.15 (2) (a) of the statutes is repealed.

22           **\*b2394/2.2\* SECTION 368n.** 250.15 (2) (c) of the statutes is repealed.”.

23           **\*b2372/2.5\* 231.** Page 182, line 16: after that line insert:

24           **\*b2372/2.5\* “SECTION 369n.** 281.98 (2) of the statutes is amended to read:

1           281.98 (2) In addition to the penalties provided under sub. (1) or s. 281.99 (2),  
2 the court may award the department of justice the reasonable and necessary  
3 expenses of the investigation and prosecution of a violation of this chapter, including  
4 attorney fees. The department of justice shall deposit in the state treasury for  
5 deposit into the general fund all moneys that the court awards to the department or  
6 the state under this subsection. ~~Ten percent of the money deposited in the general  
7 fund that was awarded under this subsection for the costs of investigation and the  
8 expenses of prosecution, including attorney fees, shall be credited to the  
9 appropriation account under s. 20.455 (1) (gh).~~

10           **\*b2372/2.5\* SECTION 369q.** 283.91 (5) of the statutes is amended to read:

11           283.91 (5) In addition to all other civil and criminal penalties prescribed under  
12 this chapter, the court may assess as an additional penalty a portion or all of the costs  
13 of the investigation, including monitoring, which led to the establishment of the  
14 violation. The court may award the department of justice the reasonable and  
15 necessary expenses of the prosecution, including attorney fees. The department of  
16 justice shall deposit in the state treasury for deposit into the general fund all moneys  
17 that the court awards to the department or the state under this subsection. ~~Ten  
18 percent of the money deposited in the general fund that was awarded under this  
19 subsection for the costs of investigation and the expenses of prosecution, including  
20 attorney fees, shall be credited to the appropriation account under s. 20.455 (1) (gh).~~”.

21           **\*b2396/1.1\* 232.** Page 182, line 16: after that line insert:

22           **\*b2396/1.1\* “SECTION 369s.** 281.17 (2m) of the statutes is created to read:

23           281.17 (2m) In permitting under its authority under sub. (2) the chemical  
24 treatment of water for the suppression of mosquito larvae in the cities of Brookfield

1 and La Crosse, the department may not impose as a condition to that permission a  
2 requirement that monitoring or additional testing be conducted as to the  
3 effectiveness or the impact of the treatment.”.

4 \*b2404/1.2\* **233.** Page 182, line 16: after that line insert:

5 \*b2404/1.2\* “SECTION 369q. 280.25 of the statutes is created to read:

6 **280.25 Report on aquifer recovery system. (1)** In this section:

7 (a) “Aquifer storage and recovery system” has the meaning given in s. 160.257  
8 (1).

9 (b) “Municipal water system” has the meaning given in s. 160.257 (1) (c).

10 (2) The operator of a municipal water system that uses an aquifer storage and  
11 recovery system shall submit a report to the department, no later than the first day  
12 of the 60th month after beginning to operate the aquifer storage and recovery system,  
13 describing the experience that the operator has had with using the aquifer storage  
14 and recovery system.”.

15 \*b2405/2.1\* **234.** Page 182, line 16: after that line insert:

16 \*b2405/2.1\* “SECTION 369u. 283.835 of the statutes is created to read:

17 **283.835 Limitations on water quality planning. (1)** Beginning on October  
18 1, 2002, and ending on October 1, 2005, all of the following apply:

19 (a) The governor may not designate, and the department may not recommend  
20 for designation, a local agency for water quality planning that is not a multicounty  
21 regional planning commission.

22 (b) The department shall provide water quality planning services for a county  
23 with a population of more than 400,000 that is not within the jurisdiction of a  
24 multicounty regional planning commission and the department may not enter into

1 an agreement under which another person provides water quality planning services  
2 for the county on behalf of the department.

3 (2) An approved water quality plan that is in effect on September 30, 2002, for  
4 a county for which the department provides water quality services under sub. (1) (b)  
5 remains in effect after September 30, 2002. As long as the department provides  
6 water quality planning services for the county, the department shall apply the  
7 approved water quality plan as it exists on September 30, 2002, or may amend the  
8 plan and apply the amended plan.”.

9 \*b2436/1.5\* **235.** Page 182, line 16: after that line insert:

10 \*b2436/1.5\* “SECTION 369g. 285.48 (4) (a) of the statutes is amended to read:

11 285.48 (4) (a) The use of renewable energy, including renewable energy that  
12 is provided by electric providers for the purpose of complying with the requirements  
13 of s. 196.378 (2) (a), ~~or renewable energy that is used under programs specified in s.~~  
14 ~~196.374 (2) (d) that are funded by expenditures under s. 196.374 (3).~~

15 \*b2436/1.5\* SECTION 369r. 285.48 (4) (b) of the statutes is amended to read:

16 285.48 (4) (b) The implementation of low-income weatherization and energy  
17 conservation measures, including programs established under s. 16.957 (2) (a) ~~or (b)~~  
18 or programs specified in s. 196.374 (2) (a) ~~or (b)~~ that are funded by expenditures  
19 under s. 196.374 (3).”.

20 \*b2468/2.1\* **236.** Page 182, line 16: after that line insert:

21 \*b2468/2.1\* “SECTION 369s. 281.18 of the statutes is created to read:

22 **281.18 Limitation on testing requirements.** If the department requires the  
23 operator of a water treatment plant or a public drinking water fountain to have the

1 water tested, the department may not require that the tests be conducted by the state  
2 laboratory of hygiene.”.

3 \*b2401/1.1\* **237.** Page 182, line 23: delete the material beginning with that  
4 line and ending with page 184, line 9.

5 \*b2400/1.1\* **238.** Page 184, line 9: after that line insert:

6 \*b2400/1.1\* “**SECTION 370i.** 287.09 (2) (a) of the statutes is amended to read:  
7 287.09 (2) (a) Develop and implement a recycling or other program to manage  
8 the solid waste generated within its region in compliance with s. 287.07 (1m) ~~to (4)~~  
9 and (2), with either s. 287.07 (3) and (4) or the rules promulgated under s. 287.11 (4),  
10 and with the priorities under s. 287.05 (12).

11 \*b2400/1.1\* **SECTION 370ic.** 287.11 (2) (a) of the statutes is amended to read:  
12 287.11 (2) (a) A public education component to inform residents of the region  
13 of the reasons to recycle, local opportunities to recycle and the ~~prohibitions in s.~~  
14 287.07 (3) and (4) materials that residents are required to recycle under the program  
15 under par. (b).

16 \*b2400/1.1\* **SECTION 370id.** 287.11 (2) (b) (intro.) of the statutes is created to  
17 read:

18 287.11 (2) (b) (intro.) One of the following:

19 \*b2400/1.1\* **SECTION 370ie.** 287.11 (2) (b) of the statutes is renumbered 287.11  
20 (2) (b) 1.

21 \*b2400/1.1\* **SECTION 370if.** 287.11 (2) (b) 2. of the statutes is created to read:  
22 287.11 (2) (b) 2. A program that the department determines complies with the  
23 rules promulgated under sub. (4).

24 \*b2400/1.1\* **SECTION 370ih.** 287.11 (2) (er) of the statutes is amended to read:

1           287.11 (2) (er) A prohibition on disposing of in a solid waste disposal facility or  
2 burning in a solid waste treatment facility any material ~~identified under s. 287.07~~  
3 ~~(3) and (4) that is required to be separated for recycling under the program under par.~~  
4 ~~(b) and~~ that is separated for recycling as part of the program.

5           **\*b2400/1.1\* SECTION 370ij.** 287.11 (2) (i) of the statutes is amended to read:

6           287.11 (2) (i) A reasonable effort, through the implementation of pars. (a) to (h),  
7 as applicable, to reduce to the maximum extent feasible the amount, by weight, of  
8 each material ~~specified in s. 287.07 (3) and (4) of a type that is recycled in the program~~  
9 ~~under par. (b) that is generated as solid waste within the region and disposed of in~~  
10 a solid waste disposal facility or converted into fuel or burned without energy  
11 recovery in a solid waste treatment facility.

12           **\*b2400/1.1\* SECTION 370in.** 287.11 (4) (a) of the statutes, as created by 2001  
13 Wisconsin Act 16, is renumbered 287.11 (4) and 287.11 (4) (intro.), as renumbered,  
14 is amended to read:

15           287.11 (4) ~~PILOT PROGRAM FOR ALTERNATE~~ ALTERNATE METHOD OF COMPLIANCE.  
16 (intro.) ~~The department shall administer a pilot program that provides an alternate~~  
17 ~~method of complying with sub. (2) (b).~~ The department shall promulgate rules ~~for~~  
18 ~~the pilot program under this subsection~~ that do all of the following:

19           **\*b2400/1.1\* SECTION 370ip.** 287.11 (4) (b) to (e) of the statutes, as created by  
20 2001 Wisconsin Act 16, are repealed.”.

21           **\*b2401/1.2\* 239.** Page 185, line 13: delete lines 13 to 17.

22           **\*b2372/2.6\* 240.** Page 185, line 17: after that line insert:

23           **\*b2372/2.6\* SECTION 370n.** 289.96 (3) (b) of the statutes is amended to read:

1           289.96 (3) (b) In addition to the penalties provided under par. (a), the court may  
2           award the department of justice the reasonable and necessary expenses of the  
3           investigation and prosecution of the violation, including attorney fees. The  
4           department of justice shall deposit in the state treasury for deposit into the general  
5           fund all moneys that the court awards to the department or the state under this  
6           paragraph. ~~Ten percent of the money deposited in the general fund that was awarded~~  
7           ~~under this paragraph for the costs of investigation and the expenses of prosecution,~~  
8           ~~including attorney fees, shall be credited to the appropriation account under s.~~  
9           ~~20.455 (1) (gh).”.~~

10           **\*b2372/2.7\* 241.** Page 186, line 6: after that line insert:

11           **\*b2372/2.7\* “SECTION 372g.** 292.99 (2) of the statutes is amended to read:

12           292.99 (2) In addition to the penalties provided under subs. (1) and (1m), the  
13           court may award the department of justice the reasonable and necessary expenses  
14           of the investigation and prosecution of the violation, including attorney fees. The  
15           department of justice shall deposit in the state treasury for deposit into the general  
16           fund all moneys that the court awards to the department or the state under this  
17           subsection. ~~Ten percent of the money deposited in the general fund that was awarded~~  
18           ~~under this subsection for the costs of investigation and the expenses of prosecution,~~  
19           ~~including attorney fees, shall be credited to the appropriation account under s.~~  
20           ~~20.455 (1) (gh).~~

21           **\*b2372/2.7\* SECTION 372n.** 293.87 (4) (b) of the statutes is amended to read:

22           293.87 (4) (b) In addition to the penalties provided under par. (a), the court may  
23           award the department of justice the reasonable and necessary expenses of the  
24           investigation and prosecution of the violation, including attorney fees. The



1 department of justice shall deposit in the state treasury for deposit into the general  
2 fund all moneys that the court awards to the department or the state under this  
3 paragraph. ~~Ten percent of the money deposited in the general fund that was awarded~~  
4 ~~under this paragraph for the costs of investigation and the expenses of prosecution,~~  
5 ~~including attorney fees, shall be credited to the appropriation account under s.~~  
6 ~~20.455 (1) (gh).~~

7 \*b2372/2.7\* **SECTION 372q.** 295.19 (3) (b) 2. of the statutes is amended to read:

8 295.19 (3) (b) 2. In addition to the penalties provided under subd. 1., the court  
9 may award the department of justice the reasonable and necessary expenses of the  
10 investigation and prosecution of the violation, including attorney fees. The  
11 department of justice shall deposit in the state treasury for deposit into the general  
12 fund all moneys that the court awards to the department or the state under this  
13 subdivision. ~~Ten percent of the money deposited in the general fund that was~~  
14 ~~awarded under this subdivision for the costs of investigation and the expenses of~~  
15 ~~prosecution, including attorney fees, shall be credited to the appropriation account~~  
16 ~~under s. 20.455 (1) (gh).”.~~

17 \*b2372/2.8\* **242.** Page 186, line 13: after that line insert:

18 \*b2372/2.8\* **SECTION 373n.** 299.97 (2) of the statutes is amended to read:

19 299.97 (2) In addition to the penalties provided under sub. (1), the court may  
20 award the department of justice the reasonable and necessary expenses of the  
21 investigation and prosecution of the violation, including attorney fees. The  
22 department of justice shall deposit in the state treasury for deposit into the general  
23 fund all moneys that the court awards to the department or the state under this  
24 subsection. ~~Ten percent of the money deposited in the general fund that was awarded~~

1 ~~under this subsection for the costs of investigation and the expenses of prosecution,~~  
2 ~~including attorney fees, shall be credited to the appropriation account under s.~~  
3 ~~20.455 (1) (gh).”.~~

4 \*b2403/1.6\* **243.** Page 186, line 13: after that line insert:

5 \*b2403/1.6\* **SECTION 373f.** 299.83 of the statutes is created to read:

6 **299.83 Environmental results program. (1) DEFINITIONS.** In this section:

7 (a) “Covered facility or activity” means a facility or activity that is included, or  
8 intended to be included, in the program.

9 (b) “Environmental management system” means an organized set of  
10 procedures to evaluate environmental performance and to achieve measurable or  
11 noticeable improvements in that environmental performance through planning and  
12 changes in operations.

13 (bm) “Environmental management system audit” means a review, of an  
14 environmental management system, that is conducted in accordance with standards  
15 and guidelines issued by the International Organization for Standardization and the  
16 results of which are documented and communicated to employees of the participant.

17 (c) “Environmental performance,” unless otherwise qualified, means the  
18 effects, whether regulated under chs. 29 to 31, 160, and 280 to 299 or unregulated,  
19 of a facility or activity on air, water, land, natural resources, and human health.

20 (d) “Environmental requirement” means a requirement in chs. 29 to 31, 160,  
21 or 280 to 299, a rule promulgated under one of those chapters, or a permit, license,  
22 other approval, or order issued by the department under one of those chapters.

23 (dg) “Functionally equivalent environmental management system” means an  
24 environmental management system that includes all of the following elements and

1 any other elements that the department determines are essential elements of  
2 International Organization for Standardization standard 14001:

3 1. Adoption of an environmental policy that includes a commitment to  
4 compliance with environmental requirements, pollution prevention, and continual  
5 improvement in environmental performance.

6 2. An analysis of the environmental aspects and impacts of the entity's  
7 activities.

8 3. Plans and procedures to achieve compliance with environmental  
9 requirements and to maintain that compliance.

10 4. Identification of all environmental requirements applicable to the entity.

11 5. A process for setting environmental objectives and developing appropriate  
12 action plans to meet the objectives.

13 6. Establishment of a structure for operational control and responsibility for  
14 environmental performance.

15 7. An employee training program to develop awareness of and competence to  
16 manage environmental issues.

17 8. A plan for taking actions to prevent environmental problems and for taking  
18 emergency response and corrective actions when environmental problems occur.

19 9. A communication plan for collaboration with employees, the public, and the  
20 department on the design of projects and activities to achieve continuous  
21 improvement in environmental performance.

22 10. Procedures for control of documents and for keeping records related to  
23 environmental performance.

24 11. Audits of the environmental management system.

1           12. A plan for continually improving environmental performance and provision  
2 for senior management review of the plan.

3           (dr) “Outside environmental auditor” means an auditor who is functionally or  
4 administratively independent of the facility or activity being audited, but who may  
5 be employed by the entity that owns the facility being audited or that owns the unit  
6 that conducts the activity being audited.

7           (e) “Participation contract” means a contract entered into by the department  
8 and a participant in tier II of the program, and that may, with the approval of the  
9 department, be signed by other interested parties, that specifies the participant’s  
10 commitment to superior environmental performance and the incentives to be  
11 provided to the participant.

12           (f) “Program” means the environmental results program under this section.

13           (g) “Superior environmental performance” means environmental performance  
14 that results in measurable or discernible improvement in the quality of the air,  
15 water, land, or natural resources or in the protection of the environment beyond that  
16 which is achieved under environmental requirements and that may be achieved in  
17 ways that include all of the following:

18           1. Limiting the discharges or emissions of pollutants from, or in some other way  
19 minimizing the negative effects on air, water, land, natural resources, or human  
20 health of, a facility that is owned or operated by an entity or an activity that is  
21 performed by the entity to an extent that is greater than is required by applicable  
22 environmental requirements.

23           2. Minimizing the negative effects on air, water, land, natural resources, or  
24 human health of the raw materials used by an entity or the products or services

1 produced or provided by the entity to an extent that is greater than is required by  
2 applicable environmental requirements.

3 3. Voluntarily engaging in restoring or preserving natural resources.

4 4. Helping other entities to comply with environmental requirements or to  
5 accomplish the results described in subd. 1. or 2.

6 5. Organizing uncoordinated entities that produce environmental harm into a  
7 program that reduces that harm.

8 6. Reducing waste or the use or production of hazardous substances in the  
9 design, production, delivery, use, or reuse of goods or services.

10 7. Conserving energy or nonrenewable natural resources.

11 8. Reducing the use of renewable natural resources through increased  
12 efficiency.

13 9. Adopting methods that reduce the depletion of, or long-term damage to,  
14 renewable natural resources.

15 (h) “Violation” means a violation of an environmental requirement.

16 **(1m)** ADMINISTRATION OF PROGRAM. In administering the program, the  
17 department shall attempt to do all of the following:

18 (a) Promote, reward, and sustain superior environmental performance by  
19 participants.

20 (b) Promote environmental performance that voluntarily exceeds legal  
21 requirements related to health, safety, and the environment and results in  
22 continuous improvement in this state’s environment, economy, and quality of life.

23 (c) Provide clear incentives for participation that will result in real benefits to  
24 participants.

1 (d) Promote attention to unregulated environmental problems and provide  
2 opportunities for conservation of resources and environmental restoration by  
3 entities that are subject to environmental requirements and entities that are not  
4 subject to environmental requirements.

5 (e) Make the program compatible with federal programs that create incentives  
6 for achieving environmental performance that exceeds legal requirements.

7 (f) Increase levels of trust, communication, and accountability among  
8 regulatory agencies, entities that are subject to environmental requirements, and  
9 the public.

10 (g) Reduce the time and money spent by regulatory agencies and entities that  
11 are subject to environmental requirements on tasks that do not benefit the  
12 environment by focusing on more efficient performance of necessary tasks and  
13 eliminating unnecessary tasks.

14 (h) Report environmental performance information and data concerning  
15 ambient environmental quality to the public in a manner that is accurate, timely,  
16 credible, relevant, and useable to interested persons.

17 (i) Provide for the measurement of environmental performance in terms of  
18 accomplishing goals and require the reporting of the results.

19 (j) Implement an evaluation system that provides flexibility and affords some  
20 protection for experimentation by participants that use innovative techniques to try  
21 to achieve superior environmental performance.

22 (k) Remove disincentives to achieving superior environmental performance.

23 (L) Provide for sustained business success as well as a reduction in  
24 environmental pollution.

1 (m) Promote the transfer of technological and practical innovations that  
2 improve environmental performance in an efficient, effective, or safe manner.

3 (n) Lower the administrative costs associated with environmental  
4 requirements and with achieving superior environmental performance.

5 (3) ELIGIBILITY FOR TIER I. (a) *General*. An applicant is eligible for tier I of the  
6 program if the applicant satisfies the requirements in pars. (b) to (d). If an applicant  
7 consists of a group of entities, each requirement in pars. (b) to (d) applies to each  
8 entity in the group. An applicant for tier I of the program shall identify the facilities  
9 or activities that it intends to include in the program.

10 (b) *Enforcement record*. To be eligible to participate in tier I of the program, an  
11 applicant shall demonstrate all of the following:

12 1. That, within 60 months before the date of application, no judgment of  
13 conviction was entered against the applicant, any managing operator of the  
14 applicant, or any person with a 25% or more ownership interest in the applicant for  
15 a criminal violation involving a covered facility or activity that resulted in  
16 substantial harm to public health or the environment or that presented an imminent  
17 threat to public health or the environment.

18 2. That, within 36 months before the date of application, no civil judgment was  
19 entered against the applicant, any managing operator of the applicant, or any person  
20 with a 25% or more ownership interest in the applicant for a violation involving a  
21 covered facility or activity that resulted in substantial harm to public health or the  
22 environment.

23 3. That, within 24 months before the date of application, the department of  
24 justice has not filed a suit to enforce an environmental requirement, and the  
25 department of natural resources has not issued a citation to enforce an

1 environmental requirement, because of a violation involving a covered facility or  
2 activity.

3 (c) *Environmental performance.* To be eligible to participate in tier I of the  
4 program, an applicant shall submit an application that describes all of the following:

5 1. The applicant's past environmental performance with respect to each  
6 covered facility or activity.

7 2. The applicant's current environmental performance with respect to each  
8 covered facility or activity.

9 3. The applicant's plans for activities that enhance the environment, such as  
10 improving the applicant's environmental performance with respect to each covered  
11 facility or activity.

12 (d) *Environmental management system.* To be eligible to participate in tier I  
13 of the program, an applicant shall do all of the following:

14 1. Demonstrate that it has implemented, or commit itself to implementing  
15 within one year of application, an environmental management system, for each  
16 covered facility or activity, that is all of the following:

17 a. In compliance with the standards for environmental management systems  
18 issued by the International Organization for Standardization or determined by the  
19 department to be a functionally equivalent environmental management system.

20 b. Determined by the department to be appropriate to the nature, scale, and  
21 environmental impacts of the applicant's operations related to each covered facility  
22 or activity.

23 2. Include, in the environmental management system under subd. 1., objectives  
24 in at least 2 of the following areas:



1           a. Improving the environmental performance of the applicant, with respect to  
2 each covered facility or activity, in aspects of environmental performance that are  
3 regulated under chs. 29 to 31, 160, and 280 to 299.

4           b. Improving the environmental performance of the applicant, with respect to  
5 each covered facility or activity, in aspects of environmental performance that are not  
6 regulated under chs. 29 to 31, 160, and 280 to 299.

7           c. Voluntarily restoring, enhancing, or preserving natural resources.

8           3. Explain to the department the rationale for the choices of objectives under  
9 subd. 2. and describe any consultations with residents of the areas in which each  
10 covered facility or activity is located or performed and with other interested persons  
11 concerning those objectives.

12           4. Conduct, or commit itself to conducting, annual environmental management  
13 system audits, with every 3rd environmental management system audit performed  
14 by an outside environmental auditor approved by the department, and commit itself  
15 to submitting an annual report on the environmental management system audit to  
16 the department in compliance with sub. (6m) (a).

17           5. Commit itself to submitting to the department an annual report on progress  
18 toward meeting the objectives under subd. 2.

19           (4) PROCESS FOR TIER I. (a) Upon receipt of an application for participation in  
20 tier I of the program, the department shall provide public notice about the  
21 application in the area in which each covered facility or activity is located or  
22 performed.

23           (b) After providing public notice under par. (a) about an application, the  
24 department may hold a public informational meeting on the application.

1           (c) The department shall approve or deny an application within 60 days after  
2 providing notice under par. (a) or, if the department holds a public informational  
3 meeting under par. (b), within 60 days after that meeting. The department may limit  
4 the number of participants in tier I of the program, or limit the extent of participation  
5 by a particular applicant, based on the department's determination that the  
6 limitation is in the best interest of the program.

7           (d) A decision by the department under par. (c) to approve or deny an  
8 application is not subject to review under ch. 227.

9           **(4m)** INCENTIVES FOR TIER I. (a) The department shall issue a numbered  
10 certificate of recognition to each participant in tier I of the program.

11           (b) The department shall identify each participant in tier I of the program on  
12 an Internet site maintained by the department.

13           (c) The department shall annually provide notice of the participation of each  
14 participant in tier I of the program to newspapers in the area in which each covered  
15 facility or activity is located.

16           (d) A participant in tier I of the program may use an environmental results  
17 program logo selected by the department on written materials produced by the  
18 participant.

19           (e) The department shall assign an employee of the department, who is  
20 acceptable to the participant, to serve as the contact with the department for a  
21 participant in tier I of the program for communications concerning participation in  
22 the program, for any approvals that the participant is required to obtain, and for  
23 technical assistance.

24           (f) After a participant in tier I of the program implements an environmental  
25 management system that complies with sub. (3) (d) 1., the department shall conduct

1 any inspections of the participant's covered facilities or activities that are required  
2 under chs. 29 to 31, 160, and 280 to 295 at the lowest frequency permitted under  
3 those chapters, except that the department may conduct an inspection whenever it  
4 has reason to believe that a participant is out of compliance with a requirement in  
5 an approval or with an environmental requirement.

6 (5) ELIGIBILITY FOR TIER II. (a) *General.* An applicant is eligible for tier II of the  
7 program if the applicant satisfies the requirements in pars. (b) to (d). If an applicant  
8 consists of a group of entities, each requirement in pars. (b) to (d) applies to each  
9 entity in the group. An applicant for tier II of the program shall identify the facilities  
10 or activities that it intends to include in the program.

11 (b) *Enforcement record.* To be eligible to participate in tier II of the program,  
12 an applicant shall demonstrate all of the following:

13 1. That, within 120 months before the date of application, no judgment of  
14 conviction was entered against the applicant, any managing operator of the  
15 applicant, or any person with a 25% or more ownership interest in the applicant for  
16 a criminal violation involving a covered facility or activity that resulted in  
17 substantial harm to public health or the environment or that presented an imminent  
18 threat to public health or the environment.

19 2. That, within 60 months before the date of application, no civil judgment was  
20 entered against the applicant, any managing operator of the applicant, or any person  
21 with a 25% or more ownership interest in the applicant for a violation involving a  
22 covered facility or activity that resulted in substantial harm to public health or the  
23 environment.

24 3. That, within 24 months before the date of application, the department of  
25 justice has not filed a suit to enforce an environmental requirement, and the

1 department of natural resources has not issued a citation to enforce an  
2 environmental requirement, because of a violation involving a covered facility or  
3 activity.

4 (c) *Environmental management system.* To be eligible to participate in tier II  
5 of the program, an applicant shall do all of the following:

6 1. Demonstrate that it has implemented an environmental management  
7 system, for each covered facility or activity, that is all of the following:

8 a. In compliance with the standards for environmental management systems  
9 issued by the International Organization for Standardization or determined by the  
10 department to be a functionally equivalent environmental management system.

11 b. Determined by the department to be appropriate to the nature, scale, and  
12 environmental impacts of the applicant's operations related to to each covered  
13 facility or activity.

14 2. Commit itself to having an outside environmental auditor approved by the  
15 department conduct an annual environmental management system audit and to  
16 submitting an annual report on the environmental management system audit to the  
17 department in compliance with sub. (6m) (a).

18 3. Commit itself to annually conducting, or having another person conduct, an  
19 audit of compliance with environmental requirements that are applicable to the  
20 covered facilities and to reporting the results of the audit to the department in  
21 compliance with sub. (6m) (a).

22 (d) *Superior environmental performance.* To be eligible to participate in tier II  
23 of the program, an applicant shall demonstrate a record of superior environmental  
24 performance and shall describe the measures that it proposes to take to maintain and  
25 improve its superior environmental performance.