



# State of Wisconsin

LEGISLATIVE REFERENCE BUREAU

## **RESEARCH APPENDIX -** **PLEASE DO NOT REMOVE FROM DRAFTING FILE**

Date Transfer Requested: 01/06/2015 (Per: CMH & MPG)

### **☞ Compile Draft – Appendix B** **... Part I**

**Appendix A** ☞ The 2015 drafting file for LRB-0797

**Appendix B** ☞ The 2015 drafting file for LRB-0799

**Appendix C** ☞ The 2015 drafting file for LRB-0800

**Appendix D** ☞ The 2015 drafting file for LRB-0852

**Appendix E** ☞ The 2015 drafting file for LRB-0872

**Appendix F** ☞ The 2015 drafting file for LRB-0906

**Appendix G** ☞ The 2015 drafting file for LRB-0941

has been copied/added to the drafting file for

**2015 LRB-0807**

**2015 DRAFTING REQUEST**

**Bill**

Received: 12/4/2014 Received By: agary  
Wanted: As time permits Same as LRB:  
For: Legislative Reference Bureau By/Representing: ARG  
May Contact: Drafter: fknepp  
Subject: Fin. Inst. - miscellaneous Addl. Drafters: agary  
Higher Education - miscellaneous

Extra Copies:

Submit via email: YES  
Requester's email: aaron.gary@legis.wisconsin.gov  
Carbon copy (CC) to: aaron.gary@legis.wisconsin.gov

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**Pre Topic:**

No specific pre topic given

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**Topic:**

Transfer DFI functions to Department of Financial Institutions, Insurance and Professional Standards; attach Educational Approval Board to DFIIPS instead of WTCS: underlying draft for compile for budget BB0259

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**Instructions:**

See attached

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**Drafting History:**

| <u>Vers.</u> | <u>Drafted</u>      | <u>Reviewed</u>        | <u>Typed</u>           | <u>Proofed</u> | <u>Submitted</u>    | <u>Jacketed</u> | <u>Required</u> |
|--------------|---------------------|------------------------|------------------------|----------------|---------------------|-----------------|-----------------|
| /P1          | agary<br>12/17/2014 | kfollett<br>12/18/2014 | rschluet<br>12/19/2014 | _____          | srose<br>12/19/2014 |                 |                 |

FE Sent For:

<END>

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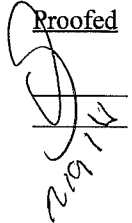
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|--------------|----------------|-----------------|--------------|---|------------------|-----------------|-----------------|
| /P1          | agary          | 1/PLSF          | 1/PLSF       |  |                  |                 |                 |
| FE Sent For: |                | 12/18           | 12/18        | 2/19/14   |                  |                 |                 |

<END>



State of Wisconsin  
2015 - 2016 LEGISLATURE



LRB-0799/P1  
ARG&FFK...

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12-17

for the DFIPS  
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**PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION**

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to DOA

Friday a.m.

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For  
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1 AN ACT ...; relating to: the budget.

*Analysis by the Legislative Reference Bureau*

**COMMERCE AND ECONOMIC DEVELOPMENT**

**BUSINESS ORGANIZATIONS AND FINANCIAL INSTITUTIONS**

2 Under current law, DFI regulates state-chartered banks, savings and loan  
3 associations, savings banks, ~~credit unions~~ and certain operations of the securities  
4 industry in this state. <sup>DFI</sup> ~~DPI~~ also reviews and files charters, articles of incorporation,  
5 and other documents of business organizations and registers and oversees the  
6 mortgage banking industry. Finally, DFI oversees Uniform Commercial Code filings  
7 in this state and administers the Wisconsin Consumer Act.

single  
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8 This bill transfers all of the functions of DFI, including functions of the division  
9 of banking and the division of securities, to the Department of Financial Institutions,

1 Insurance, and Professional Standards (DFIIPS). Additionally, this bill attaches the  
2 office of credit unions, previously attached to DFI, to DFIIPS.

Insert ANAC →

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

3 SECTION 1. 15.17 of the statutes is created to read:

4 **15.17 Department of financial institutions, insurance, and**  
5 **professional standards.** There is created a department of financial institutions,  
6 insurance, and professional standards under the direction and supervision of the  
7 secretary of financial institutions, insurance, and professional standards.

8 SECTION 2. 15.18 of the statutes is repealed.

9 SECTION 3. 15.183 of the statutes is repealed.

10 SECTION 4. 15.185 (title) of the statutes is repealed.

11 SECTION 5. 15.185 (1) of the statutes is renumbered 15.175 (14m) and amended  
12 to read:

13 **15.175 (14m) BANKING REVIEW BOARD.** There is created in the department of  
14 financial institutions, insurance, and professional standards a banking review board  
15 consisting of 5 persons, appointed for staggered 5-year terms. At least 3 members  
16 shall be experienced bankers having at least 5 years' experience in the banking  
17 business. No member is qualified to act in any matter involving a bank in which the  
18 member is an officer, director or stockholder, or to which the member is indebted.

History: 1995 a. 27, ss. 135, 136, 196, 197, 201, 203, 216, 217; 1997 a. 27; 2003 a. 33.

19 SECTION 6. 15.185 (3) of the statutes is renumbered 15.175 (15m) and amended  
20 to read:

21 **15.175 (15m) SAVINGS INSTITUTIONS REVIEW BOARD.** There is created in the  
22 department of financial institutions, insurance, and professional standards a

1 savings institutions review board consisting of 5 members, at least 3 of whom shall  
2 have not less than 5 years' experience in the savings and loan or savings bank  
3 business in this state, appointed for 5-year terms.

History: 1995 a. 27, ss. 135, 136, 196, 197, 201, 203, 216, 217; 1997 a. 27; 2003 a. 33.

4 **SECTION 7.** 15.185 (7) of the statutes is renumbered 15.175 (16m), and 15.175  
5 (16m) (a), as renumbered, is amended to read:

6 15.175 (16m) (a) *Office of credit unions; creation.* There is created an office of  
7 credit unions which is attached to the department of financial institutions,  
8 insurance, and professional standards under s. 15.03. The director shall be  
9 appointed by the governor to serve at the pleasure of the governor. No person may  
10 be appointed director who has not had at least 3 years of actual experience either in  
11 the operation of a credit union, or serving in a credit union supervisory capacity, or  
12 a combination of both. Notwithstanding s. 15.03, all personnel and budget requests  
13 by the office of credit unions shall be processed and forwarded by the department of  
14 financial institutions, insurance, and professional standards without change except  
15 as requested and concurred in by the office of credit unions.

History: 1995 a. 27, ss. 135, 136, 196, 197, 201, 203, 216, 217; 1997 a. 27; 2003 a. 33.

\*\*\*\*NOTE: Mike G. is renumbering 15.405 to 15.175. Note that title of the provision  
will need to be amended: "15.405 (title) of the statutes is renumbered 15.175 (title) and  
amended to read: 15.175 (title) **Same; attached boards and, examining boards, and  
offices.**"

\*  
insert  
3-16  
→

16 **SECTION 8.** 20.142 (title) and (intro.) of the statutes is created to read:

17 **20.142** Financial institutions, insurance, and professional standards,  
18 **department of.** (intro.) ← plain There is appropriated to the department of financial institutions,  
19 insurance, and professional standards for the following programs:

20 **SECTION 9.** 20.144 (title) of the statutes is repealed.

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be  
reflected in the revised schedule in s. 20.005, stats.

21 **SECTION 10.** 20.144 (intro.) of the statutes is repealed.

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

1

SECTION 11. 20.144 (1) (title) of the statutes is renumbered 20.142 (2) (title).

Insert  
4-2

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

2

SECTION 12. 20.144 (1) (g) of the statutes is renumbered 20.142 (2) (g) and amended to read:

3

4

20.142 (1) (g) *General program operations related to financial services.* The amounts in the schedule for the general program operations of the department of financial institutions, insurance, and professional standards that relate to financial services. Except as provided in pars. (a), (h), (i), (j), and (u), all moneys received by the department, other than by the office of credit unions and the division of banking department for banking-related services, and 88% of all moneys received by the office of credit unions and the department's division of banking shall be credited to this appropriation, but any balance at the close of a fiscal year under this appropriation shall lapse to the general fund. Annually, \$325,000 of the amounts received under this appropriation account shall be transferred to the appropriation account under s. 20.575 (1) (g).

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\*\*\*\*NOTE: Please let me know how to account for the moneys received by the division of banking. If the reference is removed, all moneys received by the the portion of the department of financial institutions, insurance, and professional standards that was formerly received by the division of banking will be credited to this appropriation.

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

History: 1995 a. 27 ss. 492, 495, 498, 499, 501, 504, 518, 519, 520b, 536c; 1995 a. 216; 1999 a. 9; 2003 a. 33; 2007 a. 196; 2009 a. 405; 2011 a. 32.

15

SECTION 13. 20.144 (1) (h) of the statutes is renumbered 20.142 (2) (h) and

16

amended to read:

17

(h) ~~Gifts, grants, settlements~~ Settlements and publications; financial services.

18

All moneys received from gifts, grants, bequests, forfeitures under s. 426.203, and settlements related to financial services, for the purposes for which received and all

19

1 moneys received by the department, ~~as they relate to financial services~~, as fees or  
 2 other charges for photocopying, microfilm copying, generation of copies of documents  
 3 from optical disk storage, sales of books and other services provided in carrying out  
 4 the functions of the department, for the purposes for which the moneys were received  
 5 or collected.

\*\*\*\*NOTE: This <sup>provision</sup> ~~is an attempt to carve out~~ what is not covered by the general gifts *and grants*  
 provision in Program 1. ~~Okay? Compare with Pam's language.~~

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

History: 1995 a. 27 ss. 492, 495, 498, 499, 501, 504, 518, 519, 520b, 536c; 1995 a. 216; 1999 a. 9; 2003 a. 33; 2007 a. 196; 2009 a. 405; 2011 a. 32.

6 **SECTION 14.** 20.144 (1) (i) of the statutes is renumbered 20.142 (2) (i).

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

7 **SECTION 15.** 20.144 (1) (j) of the statutes is renumbered 20.142 (2) (j).

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

8 **SECTION 16.** 20.144 (1) (m) of the statutes is renumbered 20.142 (2) (m).

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

9 **SECTION 17.** 20.144 (1) (u) of the statutes is renumbered 20.142 (2) (u).

*insrt 5-10*

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

10 **SECTION 18.** 20.575 (1) (g) of the statutes is amended to read:

11 20.575 (1) (g) *Program fees.* The amounts in the schedule for the purpose of  
 12 carrying out general program operations. Except as provided under par. (ka), all  
 13 amounts received by the secretary of state, including fees under s. 137.02 and all  
 14 moneys transferred from the appropriation under s. ~~20.144 (1)~~ <sup>✓</sup> 20.142 (2) (g), shall  
 15 be credited to this appropriation. Notwithstanding s. 20.001 (3) (a), any  
 16 unencumbered balance at the close of a fiscal year exceeding 10% of that fiscal year's  
 17 expenditures under this appropriation shall lapse to the general fund.



1           **SECTION 19.** 20.912 (4) of the statutes is amended to read:

2           20.912 (4) **INSOLVENT DEPOSITORIES.** When the bank, savings and loan  
3 association, savings bank, or credit union on which any check, share draft, or other  
4 draft is drawn by the secretary of administration before payment of such check, share  
5 draft, or other draft becomes insolvent or is taken over by the ~~division of banking~~  
6 department of financial institutions, insurance, and professional standards, the  
7 federal home loan bank board, the U.S. office of thrift supervision, the federal deposit  
8 insurance corporation, the resolution trust corporation, the office of credit unions,  
9 the administrator of federal credit unions, or the U.S. comptroller of the currency, the  
10 secretary of administration shall on the demand of the person in whose favor such  
11 check, share draft, or other draft was drawn and upon the return to the secretary of  
12 such check, share draft, or other draft issue a replacement for the same amount.

History: 1973 c. 243; 1977 c. 29; 1983 a. 27, 368, 538; 1987 a. 399; 1991 a. 221, 299; 1995 a. 27; 1999 a. 9; 2003 a. 33.

13           **SECTION 20.** 25.40 (1) (a) 2. of the statutes is amended to read:

14           25.40 (1) (a) 2. Other revenues specified in ch. 218 derived from the issuance  
15 of licenses under the authority of the ~~division of banking~~ department of financial  
16 institutions, insurance, and professional standards which shall be paid into the  
17 general fund.

History: 1971 c. 125, 211; 1973 c. 90, 333; 1975 c. 39; 1975 c. 163 s. 16; 1975 c. 199; 1977 c. 29, 274, 418, 447; 1979 c. 34; 1979 c. 361 s. 113; 1981 c. 20; 1981 c. 347 s. 80 (2), (4); 1983 a. 27, 538; 1985 a. 16 s. 15; 1985 a. 29 ss. 638p, 3202 (51); 1985 a. 120 ss. 66, 3202 (56); 1985 a. 332; 1987 a. 3, 27, 110, 399, 403; 1989 a. 31, 102, 105, 359; 1991 a. 39, 104, 189, 269, 309, 315; 1993 a. 16, 123, 205, 253, 415, 437, 491; 1995 a. 27, 113, 201, 269, 280, 445; 1997 a. 27, 35, 41, 135, 237, 255; 1999 a. 9, 32, 92, 167; 2001 a. 16; 2003 a. 33, 139; 2005 a. 25, 45, 85, 179, 199, 260, 319; 2007 a. 42, 97, 107; 2009 a. 28, 100, 135, 224, 226; 2011 a. 32, 208; 2011 a. 260 s. 80; 2013 a. 20, 188, 266, 363; s. 13.92 (1) (bm) 2.

18           **SECTION 21.** 34.01 (2) (a) of the statutes is amended to read:

19           34.01 (2) (a) Any loss of public moneys, which have been deposited in a  
20 designated public depository in accordance with this chapter, resulting from the  
21 failure of any public depository to repay to any public depositor the full amount of  
22 its deposit because the office of credit unions, administrator of federal credit unions,  
23 U.S. comptroller of the currency, federal home loan bank board, U.S. office of thrift

1 supervision, federal deposit insurance corporation, resolution trust corporation, or  
 2 division of banking department of financial institutions, insurance, and professional  
 3 standards has taken possession of the public depository or because the public  
 4 depository has, with the consent and approval of the office of credit unions,  
 5 administrator of federal credit unions, U.S. office of thrift supervision, federal  
 6 deposit insurance corporation, resolution trust corporation, or division of banking  
 7 department of financial institutions, insurance, and professional standards, adopted  
 8 a stabilization and readjustment plan or has sold a part or all of its assets to another  
 9 credit union, bank, savings bank, or savings and loan association which has agreed  
 10 to pay a part or all of the deposit liability on a deferred payment basis or because the  
 11 depository is prevented from paying out old deposits because of rules of the office of  
 12 credit unions, administrator of federal credit unions, U.S. comptroller of the  
 13 currency, federal home loan bank board, U.S. office of thrift supervision, federal  
 14 deposit insurance corporation, resolution trust corporation, or division of banking  
 15 department of financial institutions, insurance, and professional standards.

\*\*\*\*NOTE: To ARG: Is it redundant to have both office of credit unions and DFIIPS  
 in this provisions.

History: 1975 c. 164, 180, 422; 1977 c. 225, 320, 449; 1979 c. 221, 301, 318, 355; 1981 c. 390 s. 252; 1983 a. 81 s. 11; 1983 a. 83 s. 20; 1983 a. 189, 368, 538; 1985 a. 25;  
 1987 a. 399; 1991 a. 221; 1995 a. 27; 1999 a. 9; 2003 a. 33.

16 SECTION 22. 34.03 (3) of the statutes is amended to read:

17 34.03 (3) Take such action as the division department deems necessary or  
 18 appropriate for the protection, collection, compromise or settlement of any claim  
 19 against or in favor of the appropriation under s. 20.144 (1) 20.142 (2) (a).

History: 1985 a. 25; 1995 a. 27.

20 SECTION 23. 34.03 (4) of the statutes is amended to read:

1           34.03 (4) Exercise all powers reasonably necessary and proper to the full and  
2 complete performance of the ~~division's~~ department's functions under this chapter,  
3 including but not limited to ordinary powers granted corporations.

4 History: 1985 a. 25; 1995 a. 27.

**SECTION 24.** 34.08 of the statutes is amended to read:

5           **34.08 Payment of losses.** (1) Except as provided in sub. (2), the  
6 appropriation in s. ~~20.144 (1)~~ 20.142 (2) (a) shall be used to repay public depositors  
7 for losses until the appropriation is exhausted.

8           (2) Payments under sub. (1) shall be made in the order in which satisfactory  
9 proofs of loss are received by the ~~division of banking~~ department of financial  
10 institutions, insurance, and professional standards. The payment made to any  
11 public depositor for all losses of the public depositor in any individual public  
12 depository may not exceed \$400,000 above the amount of deposit insurance provided  
13 by an agency of the United States at the public depository that experienced the loss.  
14 Upon a satisfactory proof of loss, the ~~division of banking~~ department of financial  
15 institutions, insurance, and professional standards shall direct the department of  
16 administration to draw its warrant payable from the appropriation under s. ~~20.144~~  
17 ~~(1)~~ 20.142 (2) (a) and the secretary of administration shall pay the warrant under s.  
18 16.401 (4) in favor of the public depositor that has submitted the proof of loss.

19           (3) Losses become fixed as of the date of loss. A public depositor experiencing  
20 a loss shall, within 60 days of the loss, assign its interest in the deposit, to the extent  
21 of the amount paid under this section, to the ~~division of banking~~ department of  
22 financial institutions, insurance, and professional standards. Upon failure to make  
23 the assignment, the public depositor shall forfeit its right to payment under this  
24 section. Any recovery made by the ~~division of banking~~ department of financial

1 institutions, insurance, and professional standards under the assignment shall be  
2 repaid to the appropriation under s. ~~20.144 (1)~~ 20.142 (2) (a).

3 History: 1985 a. 25; 1995 a. 27; 2003 a. 33; 2005 a. 134.

3 **SECTION 25.** 34.10 of the statutes is amended to read:

4 **34.10 Reorganization and stabilization of financial institutions.**

5 Whenever the office of credit unions, administrator of federal credit unions, U.S.  
6 comptroller of the currency, federal home loan bank board, U.S. office of thrift  
7 supervision, federal deposit insurance corporation, resolution trust corporation, or  
8 ~~division of banking~~ department of financial institutions, insurance, and professional  
9 standards has taken charge of a credit union, bank, savings bank, or savings and loan  
10 association with a view of restoring its solvency, pursuant to law, or with a view of  
11 stabilizing and readjusting the structure of any national or state credit union, bank,  
12 savings bank, or savings and loan association located in this state, and has approved  
13 a reorganization plan or a stabilization and readjustment agreement entered into  
14 between the credit union, bank, savings bank, or savings and loan association and  
15 depositors and unsecured creditors, or when a credit union, bank, savings bank, or  
16 savings and loan association, with the approval of the office of credit unions,  
17 administrator of federal credit unions, U.S. comptroller of the currency, federal home  
18 loan bank board, U.S. office of thrift supervision, federal deposit insurance  
19 corporation, resolution trust corporation, or ~~division of banking~~ department of  
20 financial institutions, insurance, and professional standards proposes to sell its  
21 assets to another credit union, bank, savings bank, or savings and loan association  
22 which agrees to assume a part or all of the deposit liability of such selling credit  
23 union, bank, savings bank, or savings and loan association and to pay the same on  
24 a deferred payment basis, the governing board of the public depositor may, on the

1 approval of the ~~division of banking~~ department of financial institutions, insurance,  
 2 and professional standards, join in the execution of any reorganization plan, or any  
 3 stabilization and readjustment agreement, or any depositor's agreement relative to  
 4 a proposed sale of assets if, in its judgment and that of the ~~division of banking~~  
 5 department of financial institutions, insurance, and professional standards, the  
 6 reorganization plan or stabilization and readjustment agreement or proposed sale  
 7 of assets is in the best interest of all persons concerned. The joining in any  
 8 reorganization plan, or any stabilization and readjustment agreement, or any  
 9 proposed sale of assets which meets the approval of the ~~division of banking~~  
 10 department of financial institutions, insurance, and professional standards does not  
 11 waive any rights under this chapter.

\*\*\*\*NOTE: To ARG: Is it redundant to have both office of credit unions and DFIIPS in this provisions.

History: 1975 c. 180; 1983 a. 368; 1991 a. 221; 1995 a. 27; 1999 a. 9; 2003 a. 33.

SECTION 26. 45.44 (1) (b) of the statutes is amended to read: ← stays

45.44 (1) (b) "Licensing agency" means the department of agriculture, trade and consumer protection; the department of children and families; the department of financial institutions, insurance, and professional services; the department of health services; the department of natural resources; the department of public instruction; the department of revenue; ~~the department of safety and professional services and its examining boards and affiliated credentialing boards;~~ the department of transportation; the department of workforce development; the board of commissioners of public lands; or the government accountability board; ~~or the office of the commissioner of insurance.~~

History: 2011 a. 209; 2013 a. 20; s. 35.17 correction in (1) (a) 11.

SECTION 27. 66.1309 (1) (b) (intro.) and 66.1309 (1) (b) 1. of the statutes are consolidated, renumbered 66.1309 (1) (b) and amended to read:

insert 10-12

insert 10-13

66.1309 (1) (b) 1.

1

66.1309 (1) (b) (intro.) "Conservator" means any of the following: <sup>t.</sup> The division

2

~~of banking the department~~ <sup>insert 11-2</sup> as conservator, liquidator, or rehabilitator of any person,

3

partnership, or corporation, and persons, partnerships, and corporations organized

4

under or subject to the provisions of the banking law.

insert  
11-5

5

History: 1995 a. 27; 1999 a. 150 s. 414; Stats. 1999 s. 66.1309; 2001 a. 102.

SECTION 28. 66.1309 (1) (b) 2. of the statutes is repealed.

6

SECTION 29. 66.1317 (2) (a) 4. of the statutes is amended to read:

7

66.1317 (2) (a) 4. ~~The division of banking department of financial institutions,~~

8

insurance, and professional standards as conservator, liquidator or rehabilitator of

9

any person, partnership or corporation and persons, partnerships or corporations

10

organized under or subject to chs. 600 to 646.

11

History: 1977 c. 339 s. 43; 1979 c. 89; 1995 a. 27, 225; 1999 a. 150 ss. 418, 419; Stats. 1999 s. 66.1317; 2001 a. 102.

SECTION 30. 66.1317 (2) (a) 5. of the statutes is repealed.

12

SECTION 31. 71.26 (1) (d) of the statutes is amended to read:

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71.26 (1) (d) *Bank in liquidation.* Income of any bank placed in the hands of

14

the ~~division of banking department of financial institutions, insurance, and~~

15

professional standards for liquidation under s. 220.08, if the tax levied, assessed or

16

collected under this chapter on account of such bank diminishes the assets thereof

17

so that full payment of all depositors cannot be made. Whenever the ~~division of~~

18

banking department of financial institutions, insurance, and professional standards

19

certifies to the department of revenue that the tax or any part thereof levied and

20

assessed under this chapter against any such bank will so diminish the assets

21

thereof that full payment of all depositors cannot be made, the department of

22

revenue shall cancel and abate such tax or part thereof, together with any penalty

23

thereon. This paragraph shall apply to unpaid taxes which were levied and assessed

1 subsequent to the time the bank was taken over by the ~~division of banking~~  
2 department of financial institutions, insurance, and professional standards.

History: 1987 a. 312; 1987 a. 411 ss. 22, 124 to 129; 1989 a. 31, 336; 1991 a. 37, 39, 221, 269; 1993 a. 16, 112, 246, 263, 399, 437, 491; 1995 a. 27, 56, 351, 371, 380, 428; 1997 a. 27, 37, 184, 237; 1999 a. 9, 65; 1999 a. 150 s. 672; 1999 a. 167, 194; 2001 a. 16, 38, 106, 109; 2003 a. 33, 85, 99, 135, 255, 326; 2005 a. 25, 74, 335, 361, 362, 479, 483; 2007 a. 20, 96, 97, 151, 226; 2009 a. 2, 28, 161, 165, 180, 183, 205, 265, 269, 295, 332, 344; 2011 a. 3, 5, 7, 10, 32, 212, 232; 2011 a. 260 s. 80; 2013 a. 20, 145; 2013 a. 165 ss. 46, 115.

3 **SECTION 32.** 73.0301 (1) (d) 6. of the statutes is amended to read:

4 73.0301 (1) (d) 6. A license or certificate of registration issued by the  
5 department of financial institutions, ~~or a division of it,~~ insurance, and professional  
6 standards ~~services~~ under ss. 138.09, 138.12, 138.14, 202.12 to 202.14, 202.22, 217.06, 218.0101  
7 to 218.0163, 218.02, 218.04, 218.05, 224.72, 224.725, 224.93, or under subch. IV of  
8 ch. 551.

History: 1997 a. 237 ss. 301, 307, 532; 1999 a. 9, 31, 32, 186; 2001 a. 56; 2005 a. 25; 2007 a. 1; 2007 a. 20 ss. 2155 to 2158, 9121 (6) (a); 2007 a. 130, 196; 2009 a. 2, 3, 185, 344, 405; 2011 a. 32; 2013 a. 20, 36; 2013 a. 173 s. 33; 2013 a. 357.

9 **SECTION 33.** 73.0301 (1) (e) of the statutes is amended to read:

10 73.0301 (1) (e) "Licensing department" means the department of  
11 administration; the department of agriculture, trade and consumer protection; the  
12 board of commissioners of public lands; the department of children and families; the  
13 government accountability board; the department of financial institutions,  
14 insurance, and professional standards; the department of health services; the  
15 department of natural resources; the department of public instruction; ~~the~~  
16 ~~department of safety and professional services~~; the department of workforce  
17 development; ~~the office of the commissioner of insurance~~; or the department of  
18 transportation.

History: 1997 a. 237 ss. 301, 307, 532; 1999 a. 9, 31, 32, 186; 2001 a. 56; 2005 a. 25; 2007 a. 1; 2007 a. 20 ss. 2155 to 2158, 9121 (6) (a); 2007 a. 130, 196; 2009 a. 2, 3, 185, 344, 405; 2011 a. 32; 2013 a. 20, 36; 2013 a. 173 s. 33; 2013 a. 357.

19 **SECTION 34.** 108.227 (1) (e) 6. of the statutes is amended to read:

20 108.227 (1) (e) 6. A license or certificate of registration issued by the  
21 department of financial institutions, ~~or a division of it,~~ insurance, and professional  
22 standards under ss. 138.09, 138.12, 138.14, 202.12 to 202.14, 202.22, 217.06,

1 218.0101 to 218.0163, 218.02, 218.04, 218.05, 224.72, 224.725, 224.93 or under  
2 subch. IV of ch. 551.

3 History: 2013 a. 36, 276, 357.

3 **SECTION 35.** 108.227 (1) (f) of the statutes is amended to read:

4 108.227 (1) (f) "Licensing department" means the department of  
5 administration; the department of agriculture, trade and consumer protection; the  
6 board of commissioners of public lands; the department of children and families; the  
7 government accountability board; the department of financial institutions,  
8 insurance, and professional standards; the department of health services; the  
9 department of natural resources; the department of public instruction; the  
10 department of revenue; ~~the department of safety and professional services; the office~~  
11 ~~of the commissioner of insurance~~; or the department of transportation.

12 History: 2013 a. 36, 276, 357.

13 **SECTION 36.** 112.07 (1) of the statutes is amended to read:

14 112.07 (1) Notwithstanding any other provision of the statutes, any fiduciary,  
15 as defined in s. 112.01 (1) (b), who is holding securities in a fiduciary capacity, any  
16 bank or trust company holding securities as a custodian or managing agent, and any  
17 bank or trust company holding securities as custodian for a fiduciary may deposit or  
18 arrange for the deposit of such securities in a clearing corporation as defined in s.  
19 408.102 (1) (e). When the securities are so deposited, certificates representing  
20 securities of the same class of the same issuer may be merged and held in bulk in the  
21 name of the nominee of the clearing corporation with any other such securities  
22 deposited in that clearing corporation by any person regardless of the ownership of  
23 the securities, and certificates of small denomination may be merged into one or more  
24 certificates of larger denomination. The records of the fiduciary and the records of



1 the bank or trust company acting as custodian, as managing agent or as custodian  
2 for a fiduciary shall at all times show the name of the party for whose account the  
3 securities are so deposited. Ownership of, and other interests in, the securities may  
4 be transferred by bookkeeping entry on the books of the clearing corporation without  
5 physical delivery of certificates representing the securities. A bank or trust company  
6 which deposits securities pursuant to this section shall be subject to such rules and  
7 regulations as, in the case of state chartered institutions, the ~~division of banking~~  
8 department of financial institutions, insurance, and professional standards and, in  
9 the case of national banking associations, the comptroller of the currency may from  
10 time to time issue. A bank or trust company acting as custodian for a fiduciary shall,  
11 on demand by the fiduciary, certify in writing to the fiduciary the securities deposited  
12 by the bank or trust company in a clearing corporation pursuant to this section for  
13 the account of the fiduciary. A fiduciary shall, on demand by any party to a judicial  
14 proceeding for the settlement of the fiduciary's account or on demand by the attorney  
15 for such a party, certify in writing to the party the securities deposited by the  
16 fiduciary in the clearing corporation for its account as such fiduciary.

History: 1975 c. 107, 199; 1983 a. 189 s. 329 (24); 1985 a. 237 s. 119; 1995 a. 27; 1997 a. 297.

17 **SECTION 37.** 138.055 (4) (c) of the statutes is repealed.

18 **SECTION 38.** 138.055 (4) (d) of the statutes is amended to read:

19 138.055 (4) (d) The ~~division of banking~~ department of financial institutions,  
20 insurance, and professional standards for all other lenders.

History: 1975 c. 387; 1981 c. 45; 1991 a. 221; 1993 a. 112; 1995 a. 27; 1999 a. 9; 2003 a. 33.

21 **SECTION 39.** 138.056 (1) (a) 4. c. of the statutes is repealed.

22 **SECTION 40.** 138.056 (1) (a) 4. d. of the statutes is amended to read:

1 138.056 (1) (a) 4. d. The ~~division of banking~~ department of financial  
2 institutions, insurance, and professional standards for all other lenders.

History: 1981 c. 45; 1983 a. 232; 1985 a. 325; 1991 a. 221; 1993 a. 88, 112; 1995 a. 27, 336; 1999 a. 9, 53; 2003 a. 33, 257; 2005 a. 128, 215; 2007 a. 11.

3 **SECTION 41.** 138.09 (1d) of the statutes is amended to read:

4 138.09 (1d) In this section, "~~division~~" "department" means the ~~division of~~  
5 banking department of financial institutions, insurance, and professional  
6 standards.

History: 1971 c. 60, 125, 239, 307; 1973 c. 2, 243; 1975 c. 407; 1977 c. 29 s. 1654 (7) (b); 1977 c. 444; 1979 c. 110 s. 60 (13); 1979 c. 168; 1981 c. 45 ss. 11 to 16, 51; 1983 a. 36, 192, 385; 1985 a. 127; 1987 a. 27; 1989 a. 31; 1991 a. 39, 221; 1993 a. 112, 184, 368, 482, 490; 1995 a. 27, 225, 272; 1997 a. 27, 191, 237; 1999 a. 9, 31, 32, 53; 2001 a. 10, 107; 2005 a. 158, 215; 2007 a. 11, 20; 2009 a. 405; 2011 a. 32; 2013 a. 36.

7 **SECTION 42.** 138.12 (1) (a) of the statutes is repealed.

8 **SECTION 43.** 138.12 (1) (am) of the statutes is created to read:

9 138.12 (1) (am) "Department" means the department of financial institutions,  
10 insurance, and professional ~~services.~~ *standards*

11 **SECTION 44.** 138.14 (1) (f) of the statutes is repealed.

12 **SECTION 45.** 138.14 (9r) (f) of the statutes is amended to read:

13 138.14 (9r) (f) The ~~division~~ department shall make copies of the informational  
14 materials under par. (a) available, upon request, to licensees and to the public,  
15 including making these informational materials available on the department's  
16 Internet site of the ~~department of financial institutions.~~ The ~~division~~ department  
17 may charge licensees a reasonable fee for printed copies of informational materials  
18 supplied under this paragraph.

History: 2009 a. 405; 2011 a. 32; 2011 a. 260 ss. 36, 81; 2013 a. 36.

19 **SECTION 46.** 138.16 (1) (a) of the statutes is amended to read:

20 138.16 (1) (a) "~~Division~~" Department means the ~~division of banking attached~~  
21 ~~to the~~ department of financial institutions, insurance, and professional standards.

History: 2009 a. 405; 2011 a. 32.

22 **SECTION 47.** 177.30 (2) of the statutes is amended to read:

1           177.30 (2) The administrator, at reasonable times and upon reasonable notice,  
2 may examine the records of any person to determine whether the person has  
3 complied with this chapter. The administrator may designate the ~~division of banking~~  
4 department of financial institutions, insurance, and professional standards or other  
5 appropriate regulatory authority to examine the records of regulated institutions to  
6 determine if the institutions have complied with this chapter. The administrator  
7 may conduct the examination even if the person believes it is not in possession of any  
8 property reportable or deliverable under this chapter.

History: 1983 a. 408; 1995 a. 27.186.098(12)

9           **SECTION 48.** 186.098 (12) of the statutes ~~is~~ amended to read:

10           186.098 (12) LOANS TO MEMBERS. A credit union may make loans to members  
11 secured by assignment or transfer of stock certificates or other evidence of the  
12 borrower's ownership interest in a corporation formed for the cooperative ownership  
13 of real estate. Sections 846.10 and 846.101, as they apply to a foreclosure of a  
14 mortgage involving a one-family residence, apply to a proceeding to enforce the  
15 lender's rights in security given for a loan under this subsection. The office of credit  
16 unions shall promulgate joint rules with the ~~division of banking~~ department of  
17 financial institutions, insurance, and professional standards that establish  
18 procedures for enforcing a lender's rights in security given for a loan under this  
19 subsection.

History: 1971 c. 193 ss. 20, 42 (1); 1971 c. 239, 307; 1973 c. 255; 1975 c. 345; 1979 c. 282; 1981 c. 156; 1983 a. 368, 369, 538; 1987 a. 13 s. 26f; Stats. 1987 s. 186.098; 1989 a. 103; 1993 a. 482; 1995 a. 27; 1995 a. 151 ss. 94 to 112, 301; 1997 a. 35, 152; 1999 a. 9, 83; 2003 a. 33; 2013 a. 277.

20           **SECTION 49.** 186.235 (15) (b) of the statutes is amended to read:

21           186.235 (15) (b) Witness fees shall be the same as fees under s. 814.67 (1) (b)  
22 and (c). The fees of witnesses who are called by the office in the interests of the state  
23 shall be paid by the state upon presentation of proper vouchers approved by the office  
24 of credit unions and charged to the appropriation under s. ~~20.144 (1)~~ 20.142 (2) (g).

1 A witness subpoenaed by the office at the instance of a party other than the office  
2 shall not be entitled to payment of fees by the state unless the office certifies that the  
3 testimony was material to the purpose for which the subpoena was issued.

History: 1995 a. 151 ss. 12 to 14, 16, 65, 191 to 231, 233, 235, 237 to 264, 292; 1995 a. 225 s. 429; 1995 a. 325 ss. 1, 2; 1995 a. 417; 1997 a. 35, 152; 2003 a. 63; 2011 a. 32; 2013 a. 20.

4 SECTION 50. 186.314 (2m) (e) of the statutes is amended to read:

5 186.314 (2m) (e) Upon approval by the credit union members of the proposition  
6 for conversion under par. (c), the credit union shall take all necessary action under  
7 ch. 214 or 221 to complete the conversion to a savings bank or state bank. Within  
8 90 days after receipt from the ~~division of banking~~ department of financial  
9 institutions, insurance, and professional standards of a certificate of incorporation  
10 as a savings bank or state bank, the credit union shall file a copy of the certificate  
11 with the office of credit unions and the office of credit unions shall issue to a  
12 converting credit union a certificate of conversion to a savings bank or state bank.

History: 1971 c. 193; 1985 a. 29; 1995 a. 27, 151; 2005 a. 134; 2011 a. 32.

13 SECTION 51. 201.144 (1) (a) of the statutes is renumbered 20.142 (2) (a).

\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

14 SECTION 52. 214.01 (1) (ik) of the statutes is created to read:

15 214.01 (1) (ik) "Department" means the department of financial institutions,  
16 insurance, and professional standards.

17 SECTION 53. 214.01 (1) (im) of the statutes is repealed.

18 SECTION 54. 214.04 (21) (b) of the statutes is amended to read:

19 214.04 (21) (b) The rules of the ~~division~~ department shall provide that any  
20 remote service unit shall be available for use, on a nondiscriminatory basis, by any  
21 state or federal savings bank which has its principal place of business in this state,  
22 by any other state or federal savings bank obtaining the consent of a state or federal  
23 savings bank that has its principal place of business in this state and is using the

SECTION 54

1 terminal and by all customers designated by a savings bank using the unit. This  
 2 paragraph does not authorize a savings bank which has its principal place of  
 3 business outside this state to conduct business as a savings bank in this state. A  
 4 remote service unit shall be available for use, on a nondiscriminatory basis, by any  
 5 credit union, state or national bank or state or federal savings and loan association,  
 6 whose home office is located in this state, if the credit union, bank or savings and loan  
 7 association requests to share its use, subject to joint rules established by the ~~division~~  
 8 ~~of banking~~, the office of credit unions and the ~~division~~ department. The ~~division~~  
 9 department by order may authorize the installation and operation of a remote service  
 10 unit in a mobile facility, after notice and hearing upon the proposed service stops of  
 11 the mobile facility.

\*\*\*\*NOTE: Confirm w/ ARG

History: 1991 a. 221, 315; 1995 a. 27, 55, 103, 295.

12 SECTION 55. 214.48 (4) (a) of the statutes is amended to read:

13 214.48 (4) (a) An independent qualified appraiser, designated by the board of  
 14 directors, who is properly licensed and certified by the department of ~~safety and~~  
 15 ~~professional services~~ or by another entity authorized to govern appraisal licensure  
 16 and certification and who meets the requirements of title XI of the financial  
 17 institutions reform, recovery and enforcement act of 1989, 12 USC 3331 to 3351 and  
 18 regulations adopted pursuant to those sections.

History: 1991 a. 221; 1995 a. 27; 2011 a. 32.

19 SECTION 56. 214.715 (2) of the statutes is amended to read:

20 214.715 (2) Employees of the ~~division~~ department may not be subject to any  
 21 civil liability or penalty, or to any criminal prosecution, for any error in judgment or  
 22 discretion made in good faith and upon reasonable grounds in any action taken or  
 23 omitted by the employee in an official capacity.

under this chapter

History: 1991 a. 221; 1995 a. 27; 1997 a. 144.

\*\*\*\*NOTE: Changing "division" to "department" in this provision expands the group to include all employees of DFIIPS. Okay?

insert  
19-1

1

SECTION 57. 214.72 (1) (am) of the statutes is repealed.

2

SECTION 58. 214.725 (5) of the statutes is amended to read:

3

214.725 (5) Employees of the ~~division~~ department or other designated agents

4

may administer oaths and examine and take and preserve testimony under oath as

5

to anything in the affairs or ownership of the savings bank or the entity examined.

History: 1991 a. 221; 1995 a. 27; 2003 a. 263; 2011 a. 182.

6

SECTION 59. 214.78 (3) of the statutes is amended to read:

7

214.78 (3) A person who subpoenas a witness shall advance the fees and

8

mileage of the witness. Witness fees shall be the same as fees under s. 814.67 (1) (b)

9

and (c). The fees of witnesses who are called by the review board in the interests of

10

the state shall be paid by the state upon presentation of proper vouchers approved

11

by the chairperson of the review board and charged to the appropriation under s.

12

20.144 (1) 20.142 (2) (g).

History: 1991 a. 221; 1995 a. 27.

13

SECTION 60. 215.01 (6) of the statutes is repealed.

14

SECTION 61. 215.01 (6f) of the statutes is created to read:

15

215.01 (6f) "Department" means the department of financial institutions,

16

insurance, and professional standards.

17

SECTION 62. 215.02 (4) of the statutes is amended to read:

18

215.02 (4) IMMUNITY. Employees of the ~~division~~ department shall not be subject

19

to any civil liability or penalty, nor to any criminal prosecution, for any error in

20

judgment or discretion made in good faith and upon reasonable grounds in any action

21

taken or omitted under this chapter by the employee in the employee's official capacity.

\*\*\*\*NOTE: Changing "division" to "department" in this provision expands the group to include all employees of DFIIPS. Okay?

History: 1971 c. 101; 1971 c. 270 s. 104; 1973 c. 205; 1975 c. 41 s. 52; 1975 c. 348, 359, 421; 1977 c. 140; 1977 c. 196 s. 131; 1977 c. 418; 1979 c. 32 s. 92 (6); 1979 c. 287; 1981 c. 45; 1983 a. 167, 524, 538; 1985 a. 157; 1987 a. 27; 1989 a. 31; 1991 a. 221, 316; 1995 a. 27, 104, 225, 400; 1997 a. 35, 283; 1999 a. 9; 2001 a. 109; 2003 a. 33.

1 SECTION 63. 215.04 (1) (b) of the statutes is amended to read:

2 215.04 (1) (b) Review the acts, orders, and determinations of the ~~division~~<sup>✓</sup>  
3 department under this chapter.

\*\*\*\*NOTE: Okay?

4 History: 1971 c. 164, 243; 1975 c. 359; 1983 a. 167; 1985 a. 182 s. 57; 1991 a. 316; 1995 a. 27 ss. 5558 to 5563, 9130 (4); 1997 a. 3, 35; 2003 a. 33.

SECTION 64. 215.04 (3) of the statutes is amended to read:

5 215.04 (3) WITNESS FEES. A person who causes a witness to be subpoenaed shall  
6 advance the fees and mileage expense of the witness. Witness fees shall be the same  
7 as fees under s. 814.67 (1) (b) and (c). The fees of witnesses who are called by the  
8 review board in the interests of the state shall be paid by the state upon presentation  
9 of proper vouchers approved by the chairperson of the review board and charged to  
10 the appropriation under s. ~~20.144 (1)~~<sup>✓</sup> 20.142 (2) (g).

11 History: 1971 c. 164, 243; 1975 c. 359; 1983 a. 167; 1985 a. 182 s. 57; 1991 a. 316; 1995 a. 27 ss. 5558 to 5563, 9130 (4); 1997 a. 3, 35; 2003 a. 33.

SECTION 65. 217.02 (2k) of the statutes is created to read:

12 217.02 (2k) "Department" means the department of financial institutions,<sup>✓</sup>  
13 insurance, and professional standards.

14 SECTION 66. 217.02 (2m) of the statutes is repealed.

15 SECTION 67. 218.02 (1) (d) of the statutes is repealed.

16 SECTION 68. 218.02 (1) (dm) of the statutes is created to read:

17 218.02 (1) (dm) "Department" means the department of financial institutions,<sup>✓</sup>  
18 insurance, and professional standards.

19 SECTION 69. 218.04 (1) (bm) of the statutes is created to read:

20 218.04 (1) (bm) "Department" means the department of financial institutions,<sup>✓</sup>  
21 insurance, and professional standards.

22 SECTION 70. 218.04 (1) (c) of the statutes is repealed.

23 SECTION 71. 218.05 (1) (cm) of the statutes is created to read:

1           218.05 (1) (cm) "Department" means the department of financial institutions,  
2 insurance, and professional standards.

3           **SECTION 72.** 218.05 (1) (d) of the statutes is repealed.

4           **SECTION 73.** 220.01 (1m) of the statutes is repealed.

5           **SECTION 74.** 221.0303 (2) of the statutes is amended to read:

6           221.0303 (2) OPERATION AND ACQUISITION OF CUSTOMER BANK COMMUNICATIONS  
7 TERMINALS. A bank may, directly or indirectly, acquire, place, and operate, or  
8 participate in the acquisition, placement, and operation of, at locations other than  
9 its main or branch offices, customer bank communications terminals, in accordance  
10 with rules established by the ~~division~~ department. The rules of the ~~division~~  
11 department shall provide that any such customer bank communications terminal  
12 shall be available for use, on a nondiscriminatory basis, by any state or national bank  
13 and by all customers designated by a bank using the terminal. This subsection does  
14 not authorize a bank which has its principal place of business outside this state to  
15 conduct banking business in this state. The customer bank communications  
16 terminals also shall be available for use, on a nondiscriminatory basis, by any credit  
17 union, savings and loan association, or savings bank, if the credit union, savings and  
18 loan association, or savings bank requests to share its use, subject to rules jointly  
19 established by the ~~division of banking~~ department and the office of credit unions.  
20 The ~~division~~ department by order may authorize the installation and operation of a  
21 customer bank communications terminal in a mobile facility, after notice and  
22 hearing upon the proposed service stops of the mobile facility.

23           History: 1995 a. 336; 1997 a. 27; 1999 a. 9; 2003 a. 33.

**SECTION 75.** 221.0802 of the statutes is amended to read:



1           **221.0802 Banks may be placed in hands of ~~division~~ department.** A bank  
 2 doing business under this chapter may place its affairs and assets under the control  
 3 of the ~~division~~ department by posting a notice on its front door, as follows: "This bank  
 4 is in the hands of the ~~Division of Banking~~ of the Department of Financial  
 5 Institutions, Insurance, and Professional Standards". Immediately upon posting  
 6 such notice, the bank shall notify the ~~division~~ department of this action. The posting  
 7 of the notice, or the taking possession of a bank by the ~~division~~ department, places  
 8 the bank's assets and property in the possession of the ~~division~~ department, and bars  
 9 any attachment proceedings. For each day the ~~division~~ department is placed in  
 10 possession of the bank, and until such time as a special deputy is appointed under  
 11 s. 220.08 (4), the bank shall pay to the ~~division~~ department the actual cost of such  
 12 liquidation proceedings. The ~~division~~ department shall pay the amounts to the state  
 13 treasurer and the percentage specified in s. ~~20.144 (1)~~ 20.142 (2) (g) shall be credited  
 14 to the appropriation account under s. ~~20.144 (1)~~ 20.142 (2) (g).

\*\*\*\*NOTE: FIX APPROPRIATION

History: 1995 a. 336; 1997 a. 35.

15           **SECTION 76.** 222.0102 (3) of the statutes is repealed.

16           **SECTION 77.** 224.71 (1e) of the statutes is repealed.

17           **SECTION 78.** 224.90 (1) of the statutes is repealed.

18           **SECTION 79.** 227.01 (13) (zy) of the statutes is amended to read:

19           227.01 (13) (zy) Relates to any form prescribed by the ~~division of banking in~~

20           ~~the~~ department of financial institutions, insurance, and professional standards in

21           connection with the licensing of mortgage bankers or mortgage brokers under s.

22           224.72 or the licensing of mortgage loan originators under s. 224.725.

History: 1985 a. 182; 1987 a. 27, 119, 395, 399, 403; 1989 a. 31, 56, 335, 341; 1991 a. 39, 254, 269, 309, 315; 1993 a. 16, 123, 237, 349, 364, 419, 442, 481, 491; 1995 a. 27, 215, 227, 289, 363; 1997 a. 27, 35, 231, 237; 1999 a. 9, 70; 1999 a. 150 s. 672; 1999 a. 167; 2001 a. 38, 109; 2003 a. 33 ss. 2364, 2813; 2005 a. 217, 418; 2007 a. 20; 2009 a. 2, 28, 219, 391; 2011 a. 14, 32, 118, 167; 2013 a. 20, 22, 52, 101; 2013 a. 116 s. 31; 2013 a. 125, 134, 136; 2013 a. 151 s. 28; 2013 a. 210, 277, 278, 295, 320, 332, 361, 363, 377.

1 SECTION 80. 227.52 (3) of the statutes is amended to read:

2 ~~227.52 (3) Those decisions of the division of banking department of financial~~  
 3 ~~institutions, insurance, and professional standards that are subject to review, prior~~  
 4 ~~to any judicial review, by the banking review board, and decisions of the division of~~  
 5 ~~banking department of financial institutions, insurance, and professional standards~~  
 6 ~~relating to savings banks or savings and loan associations, but no other institutions~~  
 7 ~~subject to the jurisdiction of the division of banking department of financial~~  
 8 ~~institutions, insurance, and professional standards.~~

\*\*\*\*NOTE: Please confirm that this is accurate considering all of the "institutions" subject to DFIIPS.

History: 1975 c. 414; 1977 c. 187, 418; 1981 c. 79, 96, 391; 1983 a. 27, 122, 183, 538; 1985 a. 182 s. 35; Stats. 1985 s. 227.52; 1995 a. 27 ss. 6233, 9130 (4); 1997 a. 3, 27; 1999 a. 9, 182; 2003 a. 33; 2007 a. 1.

9 SECTION 81. 321.60 (1) (a) 12. of the statutes is amended to read:

10 321.60 (1) (a) 12. A license or certificate of registration issued by the  
 11 department of financial institutions, ~~or a division of it,~~ insurance, and professional  
 12 standards under ss. 138.09, 138.12, 138.14, 202.13, 202.14, 217.06, 218.0101 to  
 13 218.0163, 218.02, 218.04, 218.05, 224.72, 224.725, or 224.93 or subch. IV of ch. 551.

History: 2001 a. 22; 2003 a. 69; 2005 a. 25; 2007 a. 130, 196; 2007 a. 200 s. 142; Stats. 2007 s. 321.60; 2009 a. 2, 3, 344, 405; 2011 a. 210; 2013 a. 20.

14 SECTION 82. 409.501 (1) (b) of the statutes is amended to read:

15 409.501 (1) (b) The office of the department of financial institutions, insurance,  
 16 and professional standards or any office duly authorized by the department, in all  
 17 other cases, including a case in which the collateral is goods that are or are to become  
 18 fixtures and the financing statement is not filed as a fixture filing.

\*\*\*\*NOTE: Is the phrase "any office duly authorized by the department" overly broad in the context of DFIIPS?

History: 2001 a. 10.

19  
20 SECTION 83. 426.104 (2) (intro.) of the statutes is amended to read:

insert 23-4

insert 23-19

1           426.104 (2) (intro.) The administrator shall report annually on practices in  
 2 consumer transactions, on the use of consumer credit in the state, on problems  
 3 attending the collection of debts, on the problems of persons of limited means in  
 4 consumer transactions, and on the operation of chs. 421 to 427 and 429. For the  
 5 purpose of making the report, the administrator may conduct research and make  
 6 appropriate studies. The report shall be given to the division of banking for inclusion  
 7 included in the department's report of the division of banking under s. 220.14 and  
 8 shall include:

History: 1971 c. 239; 1977 c. 196 s. 131; 1979 c. 89; 1983 a. 524; 1985 a. 256; 1991 a. 316; 1995 a. 27, 216, 329; 1997 ~~4~~ 35.

9           **SECTION 84.** 426.203 of the statutes is amended to read:

10           **426.203 Penalties.** Whoever fails to comply with the registration  
 11 requirements under s. 426.201 or fails to pay a fee required under s. 426.202 may be  
 12 required to forfeit not more than \$50. Each day that this failure continues  
 13 constitutes a separate offense. Forfeitures received by the administrator under this  
 14 section shall be credited to the appropriation account under s. 20.144 (1) 20.142 (2)  
 15 (h) and may be expended from the account only for consumer or merchant education  
 16 programs.

History: 1995 a. 27

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→

17           **SECTION 85.** 551.102 (1m) of the statutes is repealed.

18           **SECTION 86.** 551.102 (4t) of the statutes is created to read:

19           551.102 (4t) "Department" means the department of financial institutions,  
 20 insurance, and professional standards.

21           **SECTION 87.** 551.102 (5m) of the statutes is repealed.

22           **SECTION 88.** 551.102 (26m) of the statutes is created to read:

23           551.102 (26m) "Secretary" means the secretary of the department of financial  
 24 institutions, insurance, and professional standards.

1 SECTION 89. 551.202 (26) (f) (intro.) of the statutes is amended to read:

2 551.202 (26) (f) (intro.) Not less than 10 days prior to the commencement of an  
3 offering of securities in reliance on the exemption under this subsection, the issuer  
4 files a notice with the ~~administrator~~ <sup>plain stat</sup> ~~secretary~~, in writing or in electronic form as  
5 prescribed by the ~~administrator~~ <sup>stat plain</sup> ~~secretary~~, which the ~~administrator~~ <sup>plain stat</sup> ~~secretary~~ shall  
6 make available as an electronic document on the department of financial institutions  
7 ~~department's~~ <sup>✓</sup> Internet site, containing all of the following:

8 History: 2007 a. 196; 2013 a. 52; 2013 a. 151 s. 28.

8 SECTION 90. 551.202 (27) (h) (intro.) of the statutes is amended to read:

9 551.202 (27) (h) (intro.) Before the 101st offer of the security, the issuer  
10 provides a notice to the ~~administrator~~ <sup>stat plain</sup> ~~secretary~~, in writing or in electronic form,  
11 accompanied by the filing fee specified in s. 551.614 (1m). The ~~administrator~~ <sup>plain stat</sup>  
12 ~~secretary~~ shall prescribe the form required for the notice and make the form  
13 available as an electronic document on the department of financial institutions  
14 ~~department's~~ <sup>✓</sup> Internet site. Notwithstanding s. 551.204 (1) and (3), the notice shall  
15 be limited to all of the following:

16 History: 2007 a. 196; 2013 a. 52; 2013 a. 151 s. 28. SECTION 91. 551.202 (27) (h) (intro.) of the statutes is amended to read:

16 SECTION 92. 551.205 (1) (b) 1. (intro.) of the statutes is amended to read:

17 551.205 (1) (b) 1. (intro.) The Internet site operator shall register with the  
18 ~~division~~ <sup>✓</sup> ~~department~~ <sup>✓</sup> by filing a statement, which the ~~administrator~~ <sup>plain stat</sup> ~~secretary~~ shall  
19 make available as an electronic document on the department of financial institutions  
20 ~~department's~~ <sup>✓</sup> Internet site, accompanied by the filing fee specified in s. 551.614 (1m),  
21 that includes all of the following:

22 History: 2013 a. 52.

22 SECTION 93. 551.205 (3) of the statutes is amended to read:

23 551.205 (3) If the Securities and Exchange Commission adopts rules under  
24 authority of section 3 (h) of the Securities Exchange Act of 1934 (15 USC 78c (h)) and

1 P.L. 112–106, section 304, that authorize funding portals to receive commissions  
2 without registering as broker–dealers under the Securities Exchange Act of 1934,  
3 the ~~division~~ department shall promulgate rules authorizing Internet site operators  
4 registered with the ~~division~~ department under sub. (1) (b) that are not registered as  
5 broker–dealers under s. 551.401 to receive commissions. The ~~division~~ department  
6 shall ensure that its rules authorizing commissions for Internet site operators are  
7 consistent with rules adopted by the Securities and Exchange Commission. The  
8 ~~division's~~ department's rules shall also ensure that Internet site operators that do  
9 not satisfy rules adopted by the Securities and Exchange Commission have the  
10 opportunity to operate in compliance with the requirements of this section.

History: 2013 a. 52.

11 **SECTION 94.** 551.206 of the statutes is amended to read:

12 **551.206 Adjustments.** At 5–year intervals after January 1, 2014, the  
13 department of ~~financial institutions~~ shall adjust the monetary amounts specified in  
14 s. 551.202 (26) (c) 1. a. and b. and (27) (c) 1. a. and b. to reflect changes since January  
15 1, 2014, in the consumer price index for all urban consumers, Milwaukee–Racine  
16 area average, as determined by the U.S. department of labor. Each adjustment shall  
17 be rounded to the nearest multiple of \$50,000. Each adjustment under this section  
18 shall be published on the ~~department of financial institutions~~ department's Internet  
19 site.

History: 2013 a. 52; 2013 a. 151 s. 28.

20 **SECTION 95.** 551.601 (5) of the statutes is amended to read:

21 **551.601 (5) SECURITIES INVESTOR EDUCATION AND TRAINING FUNDING.** All moneys  
22 collected from the administrative assessment under s. 551.604 (4) shall be credited  
23 to the appropriation under s. ~~20.144 (1)~~ 20.142 (2) (i). Subject to s. ~~20.144 (1)~~ 20.142

1 (2) (i), the ~~division~~ department shall use moneys credited to that appropriation for  
2 the purposes specified in sub. (4) and s. ~~20.144 (1)~~ 20.142 (2) (i).

3 History: 2007 a. 196.

~~SECTION 96. 551.601 (5) of the statutes is amended to read:~~

4 551.601 (5) SECURITIES INVESTOR EDUCATION AND TRAINING FUNDING. All moneys  
5 collected from the administrative assessment under s. 551.604 (4) shall be credited  
6 to the appropriation under s. 20.144 (1) (i). Subject to s. 20.144 (1) (i), the ~~division~~  
7 department shall use moneys credited to that appropriation for the purposes  
8 specified in sub. (4) and s. 20.144 (1) (i).

\*\*\*\*NOTE: CONFIRM APPROPRIATION

9 History: 2007 a. 196.

~~SECTION 97. 551.605 (3) (bm) 1. of the statutes is amended to read:~~

10 551.605 (3) (bm) 1. Except as provided in subd. 2., a financial institution  
11 holding company whose securities have been registered under this chapter shall not  
12 be required to prepare or distribute to shareholders or provide to the department of  
13 ~~financial institutions~~, at any time after such registration, any financial statements,  
14 financial information, annual reports, or other periodic reports except to the extent  
15 required under ss. 180.1620 and 180.1622.

\*\*\*\*NOTE: CONFIRM

16 History: 2007 a. 196; 2013 a. 36, 52.

~~SECTION 98. 551.614 (5) of the statutes is amended to read:~~

17 551.614 (5) FEES PAID TO STATE. All fees and expenses collected by the ~~division~~  
18 department under this section shall be deposited into the general fund and credited  
19 to the appropriation account under s. ~~20.144 (1)~~ 20.142 (2) (g).

20 History: 2007 a. 196; 2009 a. 28; 2011 a. 209; 2013 a. 52.

~~SECTION 99. 552.01 (1) of the statutes is repealed.~~

21 SECTION 100. 552.01 (1m) of the statutes is created to read:

*Handwritten notes:*  
27-5  
insult

1           552.01 (1m) "Department" means the department of financial institutions,  
2 insurance, and professional standards.

3           **SECTION 101.** 552.23 (1) of the statutes is amended to read:

4           552.23 (1) If the target company is ~~an insurance company subject to regulation~~  
5 ~~by the commissioner of insurance, a banking corporation, savings bank, or savings~~  
6 ~~and loan association subject to regulation by the division of banking, or a company~~  
7 subject to regulation by the public service commission, the department of  
8 transportation, or the office of the commissioner of railroads, the ~~division of~~  
9 ~~securities~~ department shall promptly furnish a copy of the registration statement  
10 filed under this chapter to the regulatory agency having supervision of the target  
11 company. Any hearing under this chapter involving any such target company shall  
12 be held jointly with the regulatory agency having supervision, and any  
13 determination following the hearing shall be made jointly with that regulatory  
14 agency.

\*\*\*\*NOTE: Okay?

History: 1971 c. 300; 1977 c. 29; 1981 c. 347 s. 80 (2); 1985 a. 195; 1991 a. 221; 1993 a. 16, 123; 1995 a. 27; 1999 a. 9; 2003 a. 33.

15           **SECTION 102.** 553.03 (2m) of the statutes is created to read:

16           553.03 (2m) "Department" means the department of financial institutions,  
17 insurance, and professional standards.

18           **SECTION 103.** 553.03 (3) of the statutes is repealed.

19           **SECTION 104.** 553.605 (2) of the statutes is amended to read:

20           553.605 (2) INVESTOR EDUCATION. All moneys collected from the administrative  
21 assessment under sub. (1) shall be credited to the appropriation under s. 20.144 (1)  
22 20.142 (2) (i). Subject to s. 20.144 (1) 20.142 (2) (i), the ~~division~~ department shall use  
23 moneys credited to that appropriation to provide information to residents of this  
24 state about franchise investments to help investors and potential investors evaluate

1 their investment decisions, protect themselves from false, fraudulent or deceptive  
2 practices in connection with the offer, sale or purchase of a franchise, be alert for false  
3 or misleading advertising or other harmful practices, and know their rights as  
4 investors.

5 History: 1987 a. 381; 1995 a. 27, 364.

5 **SECTION 105.** 553.73 of the statutes is amended to read: ✓

6 **553.73 Service of process.** When any person, including any nonresident of  
7 this state, engages in conduct prohibited or made actionable by this chapter or any  
8 rule or order under this chapter, whether or not the person has filed a consent to  
9 service of process under s. 553.27 (10), and personal jurisdiction over the person  
10 cannot otherwise be obtained in this state, that conduct shall be considered  
11 equivalent to the person's appointment of the ~~division~~ department ✓ to be the person's  
12 attorney to receive service of any lawful process in any noncriminal suit, action, or  
13 proceeding against the person or the person's successor or personal representative  
14 that grows out of that conduct and that is brought under this law or any rule or order  
15 under this chapter, with the same force and validity as if served on the person  
16 personally. Service may be made by leaving a copy of the process at the office of the  
17 ~~division~~ secretary of the department ✓, but it is not effective unless the plaintiff, who  
18 may be the ~~division~~ department ✓ in a suit, action, or proceeding instituted by the  
19 ~~division~~ department ✓, immediately sends notice of the service and a copy of the  
20 process by registered or certified mail to the defendant or respondent at his or her  
21 last-known address or takes other steps that are reasonably calculated to give actual  
22 notice, and the plaintiff's affidavit of compliance with this section is filed in the case



1 on or before the return day of the process, if any, or within any further time that the  
2 court allows.

*601.415(7) of the statutes is repealed.*

History: 1971 c. 241; 1981 c. 54; 1995 a. 27; 2001 a. 102.

3 SECTION 106. 601.415 (9) of the statutes is repealed.

4 SECTION 107. 611.76 (11) of the statutes is amended to read:

5 611.76 (11) SECURITY REGULATION. The filing with the ~~division of securities~~  
6 department of a certified copy of the plan of conversion as approved by the  
7 secretary ~~commissioner~~ constitutes registration under s. 551.305 of the securities authorized  
8 to be issued thereunder.

History: 1971 c. 260; 1979 c. 102 ss. 107, 236 (5), (13); 1981 c. 314; 1983 a. 192, 215; 1985 a. 29, 215; 1995 a. 27; 1997 a. 79; 1999 a. 85; 2003 a. 33; 2007 a. 196; 2013 a. 279.

9 SECTION 108. 616.74 (1) (c) of the statutes is amended to read:

10 616.74 (1) (c) A certificate from the department of ~~financial institutions~~  
11 is a nonprofit corporation, that it has complied with the corporation laws of this state;  
12 if it is a corporation the stock of which has been or is being sold to the general public,  
13 a certificate from the ~~division of securities~~ department that it has complied with the  
14 requirements of the securities law of this state.

History: 1971 c. 307; 1977 c. 339 s. 8; Stats. 1977 s. 616.74; 1979 c. 102 s. 237; 1991 a. 316; 1995 a. 27.

15 SECTION 109. 766.565 (7) of the statutes is amended to read:

16 766.565 (7) With respect to consumer credit transactions, the ~~division of~~  
17 banking department of financial institutions, insurance, and professional services *standards*  
18 may promulgate rules to interpret this chapter and chs. 421 to 427, consistent with  
19 the purposes and policies of this chapter and chs. 421 to 427.

History: 1985 a. 37; 1995 a. 27.

20 SECTION 110. 813.16 (7) of the statutes is amended to read:

21 813.16 (7) If the person seeking the appointment of a receiver under sub. (1)  
22 is a savings and loan association or savings bank supervised by the ~~division of~~  
23 banking department of financial institutions, insurance, and professional services *standards*

1 or a corporation supervised by the home loan bank board, federal office of thrift  
2 supervision, federal deposit insurance corporation, or resolution trust corporation,  
3 the court, unless the opposing party objects, shall appoint an officer of such  
4 corporation as receiver to act without compensation and to give such bond as the  
5 court requires.

6 History: Sup. Ct. Order; 67 Wis. 2d 585, 760, 779 (1975); Stats. 1975 s. 813.16; 1991 a. 221; 1993 a. 486; 1995 a. 27; 1999 a. 9; 2003 a. 33.

7 **SECTION 9114. Nonstatutory provisions; Financial Institutions.**

8 (1) MERGER WITH OTHER AGENCIES; NAME CHANGES.

9 (a) *Agency name change.* 1. Wherever the term "department of financial  
10 institutions" appears in the statutes, as affected by the acts of 2015, the term  
11 "department of financial institutions, insurance, and professional standards" is  
12 substituted.

13 2. Wherever the term "secretary of financial institutions" appears in the  
14 statutes, as affected by the acts of 2015, the term "secretary of financial institutions,  
15 insurance, and professional standards" is substituted.

16 (b) *Elimination of division of securities.* 1. Wherever the term "division of  
17 securities" or "division" appears in ch. 551 of the statutes, as affected by the acts of  
18 2015, the term "department" is substituted, except in s. 551.202 (26) (h) and (i) and s. 552.03(1)(e)  
of the statutes

19 2. Wherever the term "administrator" appears in ch. 551 of the statutes, as  
20 affected by the acts of 2015, the term "secretary" is substituted, except in s. 551.202  
21 (12).

22 (c) *Elimination of division of banking.* 1. Wherever the term "division of  
23 banking" appears in chs 34, 138, 227, subch. I of ch. 218, and ss. 214.592 and 215.141  
of the statutes

UPS: This is messy - follow my typed version →

*Chapter*

1 of the statutes, as affected by the acts of 2015, the term "department of financial  
2 institutions, insurance, and professional standards" is substituted.

3 2. Wherever the term "division" appears in *chapters* chs. 214, 215, 217 and 552, *and* subchs  
4 II, III, and IV of *sections* ch. 218, and *sections* (s) 138.09, 138.12, 138.14, 138.16 of the statutes, as  
5 affected by the acts of 2015, the term "department" is substituted, *move* *to* *9900's* *except in s. 552.03*

6 (1) (e)  
7 3. Wherever the term "division" or "division of banking" appears in *of the statutes* ch. 220, 221,  
8 222, 223, and 224, as affected by the acts of 2015, the term "department" is  
9 substituted, except in *section* § 224.77 (1m) (b) *of the statutes*

10 (2) ELIMINATION OF THE DEPARTMENT OF FINANCIAL INSTITUTIONS.

11 (a) *Assets and liabilities.* On the effective date of this paragraph, the assets and  
12 liabilities of the department of financial institutions become the assets and liabilities  
13 of the department of financial institutions, insurance, and professional standards.

14 (b) *Positions and employees.* On the effective date of this paragraph, all  
15 positions and all incumbent employees in the classified service of the state civil  
16 service holding those positions in the department of financial institutions, other than  
17 employees performing information technology functions, as determined by the  
18 secretary of administration, are transferred to the department of financial  
19 institutions, insurance, and professional standards. Employees performing  
20 information technology functions are transferred to the department of  
21 administration.

22 (c) *Employee status.* Employees transferred under paragraph (b) have all the  
23 rights and the same status under subchapter V of chapter 111 and chapter 230 of the  
24 statutes in the department of financial institutions, insurance, and professional  
25 standards or department of administration, whichever is appropriate, that they

1 enjoyed in the department of financial institutions immediately before the transfer.  
2 Notwithstanding section 230.28 (4) of the statutes, no employee so transferred who  
3 has attained permanent status in class is required to serve a probationary period.

4 (d) *Tangible personal property.* On the effective date of this paragraph, all  
5 tangible personal property, including records, of the department of financial  
6 institutions, other than property related to information technology functions, as  
7 determined by the secretary of administration, is transferred to the department of  
8 financial institutions, insurance, and professional standards. Property related to  
9 information technology functions is transferred to the department of administration,

10 (e) *Pending matters.* Any matter pending with the department of financial  
11 institutions on the effective date of this paragraph is transferred to the department  
12 of financial institutions, insurance, and professional standards. All materials  
13 submitted to or actions taken by the department of financial institutions are  
14 considered as having been submitted to or taken by the department of financial  
15 institutions, insurance, and professional standards.

16 (f) *Contracts.* All contracts entered into by the department of financial  
17 institutions in effect on the effective date of this paragraph remain in effect and are  
18 transferred to the department of financial institutions, insurance, and professional  
19 standards. The department of financial institutions, insurance, and professional  
20 standards shall carry out any obligations under those contracts unless modified or  
21 rescinded by that department to the extent allowed under the contract.

22 (g) *Rules and orders.* All rules promulgated by the department of financial  
23 institutions in effect on the effective date of this paragraph remain in effect until  
24 their specified expiration dates or until amended or repealed by the department of  
25 financial institutions, insurance, and professional standards. All orders issued by

1 the department of financial institutions in effect on the effective date of this  
2 paragraph remain in effect until their specified expiration dates or until modified or  
3 rescinded by the department of financial institutions, insurance, and professional  
standards.

insert  
34-4 → 4

20.142 (2) (h)

**SECTION 9214. Fiscal changes; Financial Institutions.**

4 (1) GIFTS AND GRANTS. There is transferred from the appropriation account  
5 under section 20.142 (2) (g) of the statutes, as affected by this act, to the  
6 appropriation account under section 20.142 (1) (XX) of the statutes, as <sup>affected</sup> created by  
7 this act, <sup>in the</sup> an amount, as determined by the secretary of administration, that equals  
8 <sup>all</sup> the amount of moneys received from gifts, grants, and bequests that have been  
9 credited to the appropriation account under section 20.142 (2) (g) of the statutes, as  
10 affected by this act, <sup>and</sup> that have not been expended or encumbered on or before the  
11 effective date of this subsection.

12 <sup>the</sup> ~~the~~ <sup>is</sup> ~~is~~ <sup>my</sup> ~~my~~ <sup>attempt</sup> ~~attempt~~ <sup>to</sup> ~~to transfer <sup>the</sup> ~~the~~ unencumbered balance of gifts and grants  
13 to general appropriation.~~

(END)

for gifts and grants in LRB-0797

14

2015-2016 DRAFTING INSERT  
FROM THE  
LEGISLATIVE REFERENCE BUREAU

LRB-0799/P1ins  
ARG:.....

see affid ✓

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**INSERT ANAL:**

**EDUCATION** ✓

**OTHER EDUCATIONAL AND CULTURAL AGENCIES** ✓

Under current law, the Educational Approval Board (EAB) inspects and approves private trade, correspondence, business, and technical schools to protect the students of those schools, prevent fraud, and encourage accepted educational standards at those schools. Currently, the EAB is attached to the ~~Technical College System Board~~ Board for administrative purposes. This bill attaches the EAB to the ~~Department of Financial Institutions, Insurance, and Professional Standards~~ for administrative purposes.

TCS

DFIIPS

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4

**INSERT 3-16:**

5

**SECTION 1.** 15.945 (title) of the statutes is repealed.

6

**SECTION 2.** 15.945 (1) of the statutes is renumbered 15.175 (19m) and amended

7

to read:

8

**15.175 (19m) EDUCATIONAL APPROVAL BOARD.** There is created an educational

9

approval board which is attached to the ~~technical college system board~~ department

10

of financial institutions, insurance, and professional standards under s. 15.03. The

11

board shall consist of not more than 7 members, who shall be representatives of state

12

agencies and other persons with a demonstrated interest in educational programs,

13

appointed to serve at the pleasure of the governor.

14

History: 1997 a. 27; 1999 a. 9 s. 40; Stats. 1999 s. 15.495; 2005 a. 25 s. 56; Stats. 2005 s. 15.945.

15

**SECTION 3.** 20.001 (7) of the statutes is created to read:

16

**20.001 (7) CERTAIN APPROPRIATIONS OF THE DEPARTMENT OF FINANCIAL**

17

**INSTITUTIONS, INSURANCE, AND PROFESSIONAL STANDARDS.** In s. 20.142 (2):

1 (a) "Banking functions" means the functions conducted by the department of  
 2 financial institutions, insurance, and professional standards under chs. 34, 138, 202,  
 3 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 421, 422, 423, 424, 425, 426, 427,  
 4 428, and 429.

\*\*\*\*NOTE: The list of functions in par. (a) includes ch. 428, but I am uncertain whether this should instead be included in the list under par. (b) 2.

5 (b) "Financial services functions" means all of the following:

6 1. The functions conducted by the department of financial institutions,  
 7 insurance, and professional standards specified in par. (a).

8 2. The functions conducted by the department of financial institutions,  
 9 insurance, and professional standards under chs. 132, 137, 157, 178, 179, 180, 181,  
 10 182, 183, 184, 185, 187, 188, 190, 191, 193, 401, 402, 403, 404, 405, 407, 408, 409, 410,  
 11 411, 551, 552, and 553 and under ss. 50.05 (15), 66.0420, 71.80 (12), 88.05 (6), 96.17  
 12 (6), 100.23, 101.955, 102.17, 109.09, 111.07, 231.13 (2), 279.08 (2), 443.10 (6), 703.23,  
 13 704.22, 779.87 (3), 779.97, and 995.12 (3).

14 3. All functions conducted by the office of credit unions.

15  
 16 **INSERT 4-2:**

17 **SECTION 4.** 20.144 (1) (a) of the statutes is renumbered 20.142 (2) (a).

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

\*\*\*\*NOTE: We are uncertain whether s. 20.144 (1) (a) still has vitality, so we took the cautious approach and renumbered it, rather than repealing it.

18

19 **SECTION 5.** 20.144 (1) (g) of the statutes is renumbered 20.142 (2) (g) and  
 20 amended to read:

1           20.142 (2) (g) *General program operations related to financial services*  
 2 *functions.* The amounts in the schedule for the general program operations of the  
 3 department of financial institutions, insurance, and professional standards related  
 4 to financial services functions. Except as provided in pars. (a), (h), (i), (j), and (u), all  
 5 moneys received by the department, other than by the office of credit unions and the  
 6 ~~division of banking department~~ for banking functions, and 88% of all moneys  
 7 received by the office of credit unions and the department's ~~division of banking~~  
 8 ~~department~~ for banking functions, shall be credited to this appropriation, but any  
 9 balance at the close of a fiscal year under this appropriation shall lapse to the general  
 10 fund. Annually, \$325,000 of the amounts received under this appropriation account  
 11 shall be transferred to the appropriation account under s. 20.575 (1) (g).

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

History: 1995 a. 27 ss. 492, 495, 498, 499, 501, 504, 518, 519, 520b, 536c; 1997 a. 216; 1999 a. 9; 2003 a. 33; 2007 a. 196; 2009 a. 405; 2011 a. 32.

\*\*\*\*NOTE: In the chapter 20 schedule, s. 20.144 (1) (g) is identified as a "PR" appropriation. It seems more appropriate for placement in sub. (2), rather than sub. (1), of the new s. 20.142.

12  
 13           **SECTION 6.** 20.144 (1) (h) of the statutes is renumbered 20.142 (2) (h) and  
 14 amended to read:

15           20.142 (2) (h) ~~Gifts, grants, settlements~~ *Settlements and publications; financial*  
 16 *services functions.* All moneys received from ~~gifts, grants, bequests, forfeitures~~  
 17 under s. 426.203, and ~~from settlements arising from financial services functions,~~ for  
 18 the purposes for which received and all moneys received by the department ~~from~~  
 19 ~~financial services functions~~ as fees or other charges for photocopying, microfilm  
 20 copying, generation of copies of documents from optical disk storage, sales of books  
 21 and other services provided in carrying out the ~~financial services~~ functions of the  
 22 department, for the purposes for which the moneys were received or collected.



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**INSERT 5-10:**

**SECTION 7.** 20.292 (2) of the statutes is renumbered 20.142 (9).

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

**INSERT 10-12:**

**SECTION 8.** 38.50 (5) of the statutes is amended to read:

38.50 (5) EMPLOYEES, QUARTERS. The board shall employ a person to perform the duties of an executive secretary and any other persons under the classified service that may be necessary to carry out the board's responsibilities. The person performing the duties of the executive secretary shall be in charge of the administrative functions of the board. The board shall, to the maximum extent practicable, keep its office with the technical college system board department of financial institutions, insurance, and professional standards.

History: 2005 a. 25 ss. 725g, 735c to 735x; Stats. 2005 s. 38.50; 2009 a. 300; 2011 a. 32

\*\*\*\*NOTE: I did not renumber s. 38.50 to locate the provision outside ch. 38. Do you want me to do so? If so, in which chapter would you like the provision located?

**SECTION 9.** 38.50 (10) (a) of the statutes is amended to read:

38.50 (10) (a) *Authority.* All proprietary schools shall be examined and approved by the board before operating in this state. Approval shall be granted to schools meeting the criteria established by the board for a period not to exceed one year. No school may advertise in this state unless approved by the board. All approved schools shall submit quarterly reports, including information on enrollment, number of teachers and their qualifications, course offerings, number of graduates, number of graduates successfully employed, and such other information

1 as the board considers necessary. If a school closure results in losses to students,  
2 parents, or sponsors, the board may authorize the full or partial payment of those  
3 losses from the appropriation under s. ~~20.292 (2)~~ 20.142 (9) (gm).

History: 2005 a. 25 ss. 725g, 735c to 735x; Stats. 2005 s. 38.50; 2009 a. 300; 2011 a. 32.

4 **SECTION 10.** 38.50 (11) (d) of the statutes is amended to read:

5 38.50 (11) (d) The board or association shall preserve a student record that  
6 comes into the possession of the board or association under par. (b) 1. or 2. and shall  
7 keep the student record confidential as provided under 20 USC 1232g and 34 CFR  
8 part 99. A student record in the possession of the board is not open to public  
9 inspection or copying under s. 19.35 (1). Upon request of the person who is the subject  
10 of a student record or an authorized representative of that person, the board or  
11 association shall provide a copy of the student record to the requester. The board or  
12 association may charge a fee for providing a copy of a student record. The fee shall  
13 be based on the administrative cost of taking possession of, preserving, and providing  
14 the copy of the student record. All fees collected by the board under this paragraph  
15 shall be credited to the appropriation account under s. ~~20.292 (2)~~ 20.142 (9) (i).

History: 2005 a. 25 ss. 725g, 735c to 735x; Stats. 2005 s. 38.50; 2009 a. 300; 2011 a. 32.

16 **SECTION 11.** 38.50 (13) (d) of the statutes is amended to read:

17 38.50 (13) (d) The board may charge a fee for evaluating an educational  
18 institution under par. (a) 2. e. in an amount that is sufficient to cover all costs that  
19 the board incurs in evaluating the institution. All fees collected by the board under  
20 this paragraph shall be credited to the appropriation account under s. ~~20.292 (2)~~  
21 20.142 (9) (g).

History: 2005 a. 25 ss. 725g, 735c to 735x; Stats. 2005 s. 38.50; 2009 a. 300; 2011 a. 32.

22  
23  
24

1           **INSERT 10-13:**

2           45.44 (1) (b) "Licensing agency" means the department of agriculture, trade  
3           and consumer protection; the department of children and families; the department  
4           of financial institutions, insurance, and professional standards and its examining  
5           boards and affiliated credentialing boards; the department of health services; the  
6           department of natural resources; the department of public instruction; the  
7           department of revenue; ~~the department of safety and professional services and its~~  
8           ~~examining boards and affiliated credentialing boards~~; the department of  
9           transportation; the department of workforce development; the board of  
10          commissioners of public lands; or the government accountability board; or the office  
11          of the commissioner of insurance.

12          History: 2011 a. 209; 2013 a. 20; s. 35.17 correction in (1) (a) 11.

13           **INSERT 11-2:**

14           of financial institutions, insurance, and professional standards

15           **INSERT 11-5:**

          \*\*\*\*NOTE: The last clause of this provision ("and persons, partnerships, and  
          corporations organized under or subject to the provisions of the banking law") seems to  
          be redundant and have no legal effect, but we did not strike this language out of concern  
          that there could be unintended consequences in doing so.

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17           **INSERT 19-1:**

          \*\*\*\*NOTE: Do you want to amend s. 214.7(1) (b) so that the term "administrator"  
          is limited to an administrator with duties relating to regulation of savings banks (or, more  
          generally, financial institutions)?

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19           **INSERT 23-4:**

20           227.52 (3) Those decisions of the ~~division of banking~~ department of financial  
21          institutions, insurance, and professional standards that are subject to review, prior

1 to any judicial review, by the banking review board, and decisions of the ~~division of~~ ✓  
 2 banking department of financial institutions, insurance, and professional standards  
 3 relating to savings banks or savings and loan associations, but no other financial  
 4 institutions subject to the jurisdiction of the ~~division of banking~~ ✓ department of  
 5 financial institutions, insurance, and professional standards, except as provided in  
 6 sub. (4). ✓

\*\*\*\*NOTE: We believe that the last clause of this provision (beginning “, but no other ...”) could be stricken in lieu of the treatment included above, as we are not aware of any state-chartered financial institutions other than state banks (including those with trust powers), savings banks, savings and loan associations, and credit unions.

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**INSERT 23-19:**

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**SECTION 12.** 426.103 of the statutes is amended to read:

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**426.103 Administrator.** “Administrator” means the secretary of financial  
 11 institutions, insurance, and professional standards or an employee of the ✓  
 12 department of financial institutions, insurance, and professional standards ✓  
 13 designated by the secretary.

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History: 1971 c. 239; 1995 a. 27, 216.

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**INSERT 24-17:**

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**SECTION 13.** 551.102 (1m) of the statutes is amended to read:

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551.102 (1m) “Administrator” means the ~~administrator of the division of~~ ✓  
 19 ~~securities in the department~~ secretary of financial institutions, insurance, and ✓  
 20 professional standards or an employee of the department of financial institutions, ✓  
 21 insurance, and professional standards designated by the secretary.

22

History: 2007 a. 196; 2009 a. 180, 344, 345; 2013 a. 52.

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**INSERT 27-5:**

**SECTION 14.** 551.601 (5) of the statutes is amended to read:

551.601 (5) SECURITIES INVESTOR EDUCATION AND TRAINING FUNDING. All moneys collected from the administrative assessment under s. 551.604 (4) shall be credited to the appropriation under s. ~~20.144 (1)~~ 20.142 (2) (i). Subject to s. ~~20.144 (1)~~ 20.142 (2) (i), the ~~division~~ department shall use moneys credited to that appropriation for the purposes specified in sub. (4) and s. ~~20.144 (1)~~ 20.142 (2) (i).

History: 2007 a. 196.

**SECTION 15.** 551.605 (3) (bm) 1. of the statutes is amended to read:

551.605 (3) (bm) 1. Except as provided in subd. 2., a financial institution holding company whose securities have been registered under this chapter shall not be required to prepare or distribute to shareholders or provide to the department of financial institutions, at any time after such registration, any financial statements, financial information, annual reports, or other periodic reports except to the extent required under ss. 180.1620 and 180.1622. This subdivision does not apply with respect to any financial statement, financial information, or report required under ch. 622 or 644 or otherwise required as a result of operations as an insurance company.

History: 2007 a. 196; 2013 a. 36, 52.

\*\*\*\*NOTE: We are uncertain whether a financial institution holding company may be subject to reporting requirements as an insurance company or insurance holding company. The last sentence of this provision may be unnecessary.

1           **INSERT 30-8:**

      \*\*\*\*NOTE: This provision assumes that another draft in the compile will create definitions of "department" and "secretary" applicable to this provision.

2

3           **INSERT 30-14:**

      \*\*\*\*NOTE: This provision assumes that another draft in the compile will create a definition of "department" applicable to this provision.

4

**INSERT 34-4:**

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**SECTION 9143. Nonstatutory provisions; Technical College System.** ✓

6

      (1) TRANSFER OF EDUCATIONAL APPROVAL BOARD TO DEPARTMENT OF FINANCIAL INSTITUTIONS, INSURANCE, AND PROFESSIONAL STANDARDS.

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      (a) *Positions and employees.* On the effective date of this paragraph, all positions and all incumbent employees in the classified service of the state civil service holding those positions in the technical college system board performing duties primarily related to the functions of the educational approval board, as determined by the secretary of administration, are transferred to the department of financial institutions, insurance, and professional standards. ✓

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      (b) *Employee status.* Employees transferred under paragraph (a) have all the rights and the same status under subchapter V of chapter 111 and chapter 230 of the statutes in the department of financial institutions, insurance, and professional standards that they enjoyed in the technical college system board immediately before the transfer. Notwithstanding section 230.28 (4) of the statutes, no employee so transferred who has attained permanent status in class is required to serve a probationary period. ✓

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      \*\*\*\*NOTE: Although the EAB has three appropriations under s. 20.292, it does not appear that any of these appropriations fund its general operations. Therefore, I have assumed that WTCS personnel perform general operations functions, funded through WTCS appropriations, and I have therefore transferred these personnel to DFIIPS. ✓