



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 II**

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



State of Wisconsin
2015 - 2016 LEGISLATURE



LRB-0799/P1
ARG&FFK:kjf:rs

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

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

Analysis by the Legislative Reference Bureau

COMMERCE AND ECONOMIC DEVELOPMENT

BUSINESS ORGANIZATIONS AND FINANCIAL INSTITUTIONS

Under current law, DFI regulates state-chartered banks, savings and loan associations, savings banks, and certain operations of the securities industry in this state. DFI also reviews and files charters, articles of incorporation, and other documents of business organizations and registers and oversees the mortgage banking industry. Finally, DFI oversees Uniform Commercial Code filings in this state and administers the Wisconsin Consumer Act.

This bill transfers all of the functions of DFI, including functions of the Division of Banking and the Division of Securities, to the Department of Financial Institutions, Insurance, and Professional Standards (DFIIPS). Additionally, his bill attaches the Office of Credit Unions, previously attached to DFI, to DFIIPS.

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 TCS Board for

administrative purposes. This bill attaches the EAB to the DFIIPS for administrative purposes.

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

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

2 **15.17 Department of financial institutions, insurance, and**
3 **professional standards.** There is created a department of financial institutions,
4 insurance, and professional standards under the direction and supervision of the
5 secretary of financial institutions, insurance, and professional standards.

6 **SECTION 2.** 15.18 of the statutes is repealed.

7 **SECTION 3.** 15.183 of the statutes is repealed.

8 **SECTION 4.** 15.185 (title) of the statutes is repealed.

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

11 **15.175 (14m) BANKING REVIEW BOARD.** There is created in the department of
12 financial institutions, insurance, and professional standards a banking review board
13 consisting of 5 persons, appointed for staggered 5-year terms. At least 3 members
14 shall be experienced bankers having at least 5 years' experience in the banking
15 business. No member is qualified to act in any matter involving a bank in which the
16 member is an officer, director or stockholder, or to which the member is indebted.

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

19 **15.175 (15m) SAVINGS INSTITUTIONS REVIEW BOARD.** There is created in the
20 department of financial institutions, insurance, and professional standards a
21 savings institutions review board consisting of 5 members, at least 3 of whom shall

1 have not less than 5 years' experience in the savings and loan or savings bank
2 business in this state, appointed for 5-year terms.

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

5 15.175 (16m) (a) *Office of credit unions; creation.* There is created an office of
6 credit unions which is attached to the department of financial institutions,
7 insurance, and professional standards under s. 15.03. The director shall be
8 appointed by the governor to serve at the pleasure of the governor. No person may
9 be appointed director who has not had at least 3 years of actual experience either in
10 the operation of a credit union, or serving in a credit union supervisory capacity, or
11 a combination of both. Notwithstanding s. 15.03, all personnel and budget requests
12 by the office of credit unions shall be processed and forwarded by the department of
13 financial institutions, insurance, and professional standards without change except
14 as requested and concurred in by the office of credit unions.

****NOTE: Mike G. is renumbering s. 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.**"

15 SECTION 8. 15.945 (title) of the statutes is repealed.

16 SECTION 9. 15.945 (1) of the statutes is renumbered 15.175 (19m) and amended
17 to read:

18 15.175 (19m) EDUCATIONAL APPROVAL BOARD. There is created an educational
19 approval board which is attached to the ~~technical college system board~~ department
20 of financial institutions, insurance, and professional standards under s. 15.03. The
21 board shall consist of not more than 7 members, who shall be representatives of state
22 agencies and other persons with a demonstrated interest in educational programs,
23 appointed to serve at the pleasure of the governor.

1 **SECTION 10.** 20.001 (7) of the statutes is created to read:

2 20.001 (7) CERTAIN APPROPRIATIONS OF THE DEPARTMENT OF FINANCIAL
3 INSTITUTIONS, INSURANCE, AND PROFESSIONAL STANDARDS. In s. 20.142 (2):

4 (a) “Banking functions” means the functions conducted by the department of
5 financial institutions, insurance, and professional standards under chs. 34, 138, 202,
6 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 421, 422, 423, 424, 425, 426, 427,
7 428, 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.

8 (b) “Financial services functions” means all of the following:

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

11 2. The functions conducted by the department of financial institutions,
12 insurance, and professional standards under chs. 132, 137, 157, 178, 179, 180, 181,
13 182, 183, 184, 185, 187, 188, 190, 191, 193, 401, 402, 403, 404, 405, 407, 408, 409, 410,
14 411, 551, 552, and 553 and under ss. 50.05 (15), 66.0420, 71.80 (12), 88.05 (6), 96.17
15 (6), 100.23, 101.955, 102.17, 109.09, 111.07, 231.13 (2), 279.08 (2), 443.10 (6), 703.23,
16 704.22, 779.87 (3), 779.97, and 995.12 (3).

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

18 **SECTION 11.** 20.142 (intro.) of the statutes is created to read:

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

22 **SECTION 12.** 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.

1 **SECTION 13.** 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.

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

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

3 **SECTION 15.** 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.

4 **SECTION 16.** 20.144 (1) (g) of the statutes is renumbered 20.142 (2) (g) and
5 amended to read:

6 20.142 (2) (g) *General program operations related to financial services*
7 *functions.* The amounts in the schedule for the general program operations of the
8 department of financial institutions, insurance, and professional standards related
9 to financial services functions. Except as provided in pars. (a), (h), (i), (j), and (u), all
10 moneys received by the department, other than by the office of credit unions and the
11 division of banking department for banking functions, and 88% of all moneys
12 received by the office of credit unions and the department's division of banking
13 department for banking functions, shall be credited to this appropriation, but any
14 balance at the close of a fiscal year under this appropriation shall lapse to the general
15 fund. Annually, \$325,000 of the amounts received under this appropriation account
16 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.

 ****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.

1 **SECTION 17.** 20.144 (1) (h) of the statutes is renumbered 20.142 (2) (h) and
2 amended to read:

3 20.142 (2) (h) ~~Gifts, grants, settlements~~ Settlements and publications; financial
4 services functions. All moneys received from ~~gifts, grants, bequests, forfeitures~~
5 under s. 426.203, and from settlements arising from financial services functions, for
6 the purposes for which made or received and all moneys received by the department
7 from financial services functions as fees or other charges for photocopying, microfilm
8 copying, generation of copies of documents from optical disk storage, sales of books
9 and other services provided in carrying out the financial services functions of the
10 department, for the purposes for which the moneys were received or collected.

 ***NOTE: This provision carves out what is not covered by the general gifts and grants provision in Program 1.

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

11 **SECTION 18.** 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.

12 **SECTION 19.** 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.

13 **SECTION 20.** 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.

14 **SECTION 21.** 20.144 (1) (u) of the statutes is renumbered 20.142 (2) (u).

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

15 **SECTION 22.** 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.

16 **SECTION 23.** 20.575 (1) (g) of the statutes is amended to read:

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

8 **SECTION 24.** 20.912 (4) of the statutes is amended to read:

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

20 **SECTION 25.** 25.40 (1) (a) 2. of the statutes is amended to read:

21 25.40 (1) (a) 2. Other revenues specified in ch. 218 derived from the issuance
22 of licenses under the authority of the ~~division of banking~~ department of financial
23 institutions, insurance, and professional standards which shall be paid into the
24 general fund.

25 **SECTION 26.** 34.01 (2) (a) of the statutes is amended to read:

1 34.01 (2) (a) Any loss of public moneys, which have been deposited in a
2 designated public depository in accordance with this chapter, resulting from the
3 failure of any public depository to repay to any public depositor the full amount of
4 its deposit because the office of credit unions, administrator of federal credit unions,
5 U.S. comptroller of the currency, federal home loan bank board, U.S. office of thrift
6 supervision, federal deposit insurance corporation, resolution trust corporation, or
7 ~~division of banking department of financial institutions, insurance, and professional~~
8 ~~standards~~ has taken possession of the public depository or because the public
9 depository has, with the consent and approval of the office of credit unions,
10 administrator of federal credit unions, U.S. office of thrift supervision, federal
11 deposit insurance corporation, resolution trust corporation, or ~~division of banking~~
12 ~~department of financial institutions, insurance, and professional standards~~, adopted
13 a stabilization and readjustment plan or has sold a part or all of its assets to another
14 credit union, bank, savings bank, or savings and loan association which has agreed
15 to pay a part or all of the deposit liability on a deferred payment basis or because the
16 depository is prevented from paying out old deposits because of rules of the office of
17 credit unions, administrator of federal credit unions, U.S. comptroller of the
18 currency, federal home loan bank board, U.S. office of thrift supervision, federal
19 deposit insurance corporation, resolution trust corporation, or ~~division of banking~~
20 ~~department of financial institutions, insurance, and professional standards~~.

21 **SECTION 27.** 34.03 (3) of the statutes is amended to read:

22 34.03 (3) Take such action as the ~~division~~ department deems necessary or
23 appropriate for the protection, collection, compromise or settlement of any claim
24 against or in favor of the appropriation under s. ~~20.144 (1)~~ 20.142 (2) (a).

25 **SECTION 28.** 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 **SECTION 29.** 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 SECTION 30. 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
25 approval of the ~~division of banking~~ department of financial institutions, insurance,

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

11 **SECTION 31.** 38.50 (5) of the statutes is amended to read:

12 38.50 (5) EMPLOYEES, QUARTERS. The board shall employ a person to perform
13 the duties of an executive secretary and any other persons under the classified
14 service that may be necessary to carry out the board's responsibilities. The person
15 performing the duties of the executive secretary shall be in charge of the
16 administrative functions of the board. The board shall, to the maximum extent
17 practicable, keep its office with the ~~technical college system board~~ department of
18 financial institutions, insurance, and professional standards.

****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?

19 **SECTION 32.** 38.50 (10) (a) of the statutes is amended to read:

20 38.50 (10) (a) *Authority*. All proprietary schools shall be examined and
21 approved by the board before operating in this state. Approval shall be granted to
22 schools meeting the criteria established by the board for a period not to exceed one
23 year. No school may advertise in this state unless approved by the board. All

1 approved schools shall submit quarterly reports, including information on
2 enrollment, number of teachers and their qualifications, course offerings, number of
3 graduates, number of graduates successfully employed, and such other information
4 as the board considers necessary. If a school closure results in losses to students,
5 parents, or sponsors, the board may authorize the full or partial payment of those
6 losses from the appropriation under s. ~~20.292 (2)~~ 20.142 (9) (gm).

7 **SECTION 33.** 38.50 (11) (d) of the statutes is amended to read:

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

19 **SECTION 34.** 38.50 (13) (d) of the statutes is amended to read:

20 38.50 (13) (d) The board may charge a fee for evaluating an educational
21 institution under par. (a) 2. e. in an amount that is sufficient to cover all costs that
22 the board incurs in evaluating the institution. All fees collected by the board under
23 this paragraph shall be credited to the appropriation account under s. ~~20.292 (2)~~
24 20.142 (9) (g).

25 **SECTION 35.** 45.44 (1) (b) of the statutes is amended to read:

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

11 **SECTION 36.** 66.1309 (1) (b) (intro.) and 1. of the statutes are consolidated,
12 renumbered 66.1309 (1) (b) and amended to read:

13 66.1309 (1) (b) "Conservator" means ~~any of the following:~~ 1. ~~The division of~~
14 banking the department of financial institutions, insurance, and professional
15 standards as conservator, liquidator, or rehabilitator of any person, partnership, or
16 corporation, and persons, partnerships, and corporations organized under or subject
17 to the provisions of the banking law.

 ****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.

18 **SECTION 37.** 66.1309 (1) (b) 2. of the statutes is repealed.

19 **SECTION 38.** 66.1317 (2) (a) 4. of the statutes is amended to read:

20 66.1317 (2) (a) 4. ~~The division of banking department of financial institutions,~~
21 insurance, and professional standards as conservator, liquidator or rehabilitator of
22 any person, partnership or corporation and persons, partnerships or corporations
23 organized under or subject to chs. 600 to 646.

1 **SECTION 39.** 66.1317 (2) (a) 5. of the statutes is repealed.

2 **SECTION 40.** 71.26 (1) (d) of the statutes is amended to read:

3 71.26 (1) (d) *Bank in liquidation.* Income of any bank placed in the hands of
4 the ~~division of banking~~ department of financial institutions, insurance, and
5 professional standards for liquidation under s. 220.08, if the tax levied, assessed or
6 collected under this chapter on account of such bank diminishes the assets thereof
7 so that full payment of all depositors cannot be made. Whenever the ~~division of~~
8 ~~banking~~ department of financial institutions, insurance, and professional standards
9 certifies to the department of revenue that the tax or any part thereof levied and
10 assessed under this chapter against any such bank will so diminish the assets
11 thereof that full payment of all depositors cannot be made, the department of
12 revenue shall cancel and abate such tax or part thereof, together with any penalty
13 thereon. This paragraph shall apply to unpaid taxes which were levied and assessed
14 subsequent to the time the bank was taken over by the ~~division of banking~~
15 department of financial institutions, insurance, and professional standards.

16 **SECTION 41.** 73.0301 (1) (d) 6. of the statutes is amended to read:

17 73.0301 (1) (d) 6. A license or certificate of registration issued by the
18 department of financial institutions, ~~or a division of it,~~ insurance, and professional
19 standards under ss. 138.09, 138.12, 138.14, 202.12 to 202.14, 202.22, 217.06,
20 218.0101 to 218.0163, 218.02, 218.04, 218.05, 224.72, 224.725, 224.93, or under
21 subch. IV of ch. 551.

22 **SECTION 42.** 73.0301 (1) (e) of the statutes is amended to read:

23 73.0301 (1) (e) “Licensing department” means the department of
24 administration; the department of agriculture, trade and consumer protection; the
25 board of commissioners of public lands; the department of children and families; the

1 government accountability board; the department of financial institutions,
2 insurance, and professional standards; the department of health services; the
3 department of natural resources; the department of public instruction; ~~the~~
4 ~~department of safety and professional services~~; the department of workforce
5 development; ~~the office of the commissioner of insurance~~; or the department of
6 transportation.

7 SECTION 43. 108.227 (1) (e) 6. of the statutes is amended to read:

8 108.227 (1) (e) 6. A license or certificate of registration issued by the
9 department of financial institutions, ~~or a division of it,~~ insurance, and professional
10 standards under ss. 138.09, 138.12, 138.14, 202.12 to 202.14, 202.22, 217.06,
11 218.0101 to 218.0163, 218.02, 218.04, 218.05, 224.72, 224.725, 224.93 or under
12 subch. IV of ch. 551.

13 SECTION 44. 108.227 (1) (f) of the statutes is amended to read:

14 108.227 (1) (f) "Licensing department" means the department of
15 administration; the department of agriculture, trade and consumer protection; the
16 board of commissioners of public lands; the department of children and families; the
17 government accountability board; the department of financial institutions,
18 insurance, and professional standards; the department of health services; the
19 department of natural resources; the department of public instruction; the
20 department of revenue; ~~the department of safety and professional services; the office~~
21 ~~of the commissioner of insurance~~; or the department of transportation.

22 SECTION 45. 112.07 (1) of the statutes is amended to read:

23 112.07 (1) Notwithstanding any other provision of the statutes, any fiduciary,
24 as defined in s. 112.01 (1) (b), who is holding securities in a fiduciary capacity, any
25 bank or trust company holding securities as a custodian or managing agent, and any

1 bank or trust company holding securities as custodian for a fiduciary may deposit or
2 arrange for the deposit of such securities in a clearing corporation as defined in s.
3 408.102 (1) (e). When the securities are so deposited, certificates representing
4 securities of the same class of the same issuer may be merged and held in bulk in the
5 name of the nominee of the clearing corporation with any other such securities
6 deposited in that clearing corporation by any person regardless of the ownership of
7 the securities, and certificates of small denomination may be merged into one or more
8 certificates of larger denomination. The records of the fiduciary and the records of
9 the bank or trust company acting as custodian, as managing agent or as custodian
10 for a fiduciary shall at all times show the name of the party for whose account the
11 securities are so deposited. Ownership of, and other interests in, the securities may
12 be transferred by bookkeeping entry on the books of the clearing corporation without
13 physical delivery of certificates representing the securities. A bank or trust company
14 which deposits securities pursuant to this section shall be subject to such rules and
15 regulations as, in the case of state chartered institutions, the ~~division of banking~~
16 department of financial institutions, insurance, and professional standards and, in
17 the case of national banking associations, the comptroller of the currency may from
18 time to time issue. A bank or trust company acting as custodian for a fiduciary shall,
19 on demand by the fiduciary, certify in writing to the fiduciary the securities deposited
20 by the bank or trust company in a clearing corporation pursuant to this section for
21 the account of the fiduciary. A fiduciary shall, on demand by any party to a judicial
22 proceeding for the settlement of the fiduciary's account or on demand by the attorney
23 for such a party, certify in writing to the party the securities deposited by the
24 fiduciary in the clearing corporation for its account as such fiduciary.

25 SECTION 46. 138.055 (4) (c) of the statutes is repealed.

1 **SECTION 47.** 138.055 (4) (d) of the statutes is amended to read:

2 138.055 (4) (d) ~~The division of banking~~ department of financial institutions,
3 insurance, and professional standards for all other lenders.

4 **SECTION 48.** 138.056 (1) (a) 4. c. of the statutes is repealed.

5 **SECTION 49.** 138.056 (1) (a) 4. d. of the statutes is amended to read:

6 138.056 (1) (a) 4. d. ~~The division of banking~~ department of financial
7 institutions, insurance, and professional standards for all other lenders.

8 **SECTION 50.** 138.09 (1d) of the statutes is amended to read:

9 138.09 (1d) In this section, ~~“division”~~ “department” means the ~~division of~~
10 banking department of financial institutions, insurance, and professional
11 standards.

12 **SECTION 51.** 138.12 (1) (a) of the statutes is repealed.

13 **SECTION 52.** 138.12 (1) (am) of the statutes is created to read:

14 138.12 (1) (am) “Department” means the department of financial institutions,
15 insurance, and professional standards.

16 **SECTION 53.** 138.14 (1) (f) of the statutes is repealed.

17 **SECTION 54.** 138.14 (9r) (f) of the statutes is amended to read:

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

24 **SECTION 55.** 138.16 (1) (a) of the statutes is amended to read:

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

3 **SECTION 56.** 177.30 (2) of the statutes is amended to read:

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

12 **SECTION 57.** 186.098 (12) of the statutes is amended to read:

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

23 **SECTION 58.** 186.235 (15) (b) of the statutes is amended to read:

24 186.235 (15) (b) Witness fees shall be the same as fees under s. 814.67 (1) (b)
25 and (c). The fees of witnesses who are called by the office in the interests of the state

1 shall be paid by the state upon presentation of proper vouchers approved by the office
2 of credit unions and charged to the appropriation under s. ~~20.144 (1)~~ 20.142 (2) (g).
3 A witness subpoenaed by the office at the instance of a party other than the office
4 shall not be entitled to payment of fees by the state unless the office certifies that the
5 testimony was material to the purpose for which the subpoena was issued.

6 **SECTION 59.** 186.314 (2m) (e) of the statutes is amended to read:

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

15 **SECTION 60.** 214.01 (1) (f) of the statutes is created to read:

16 214.01 (1) (f) “Department” means the department of financial institutions,
17 insurance, and professional standards.

18 **SECTION 61.** 214.01 (1) (im) of the statutes is repealed.

19 **SECTION 62.** 214.04 (21) (b) of the statutes is amended to read:

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

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

11 **SECTION 63.** 214.48 (4) (a) of the statutes is amended to read:

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

18 **SECTION 64.** 214.715 (2) of the statutes is amended to read:

19 214.715 (2) Employees of the ~~division~~ department may not be subject to any
20 civil liability or penalty, or to any criminal prosecution, for any error in judgment or
21 discretion made in good faith and upon reasonable grounds in any action taken or
22 omitted under this chapter by the employee in an official capacity.

23 **SECTION 65.** 214.72 (1) (am) of the statutes is repealed.

****NOTE: Do you want to amend s. 214.72 (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)?

1 **SECTION 66.** 214.725 (5) of the statutes is amended to read:

2 214.725 (5) Employees of the ~~division~~ department or other designated agents
3 may administer oaths and examine and take and preserve testimony under oath as
4 to anything in the affairs or ownership of the savings bank or the entity examined.

5 **SECTION 67.** 214.78 (3) of the statutes is amended to read:

6 214.78 (3) A person who subpoenas a witness shall advance the fees and
7 mileage of the witness. Witness fees shall be the same as fees under s. 814.67 (1) (b)
8 and (c). The fees of witnesses who are called by the review board in the interests of
9 the state shall be paid by the state upon presentation of proper vouchers approved
10 by the chairperson of the review board and charged to the appropriation under s.
11 ~~20.144 (1)~~ 20.142 (2) (g).

12 **SECTION 68.** 215.01 (6) of the statutes is repealed.

13 **SECTION 69.** 215.01 (6f) of the statutes is created to read:

14 215.01 (6f) “Department” means the department of financial institutions,
15 insurance, and professional standards.

16 **SECTION 70.** 215.02 (4) of the statutes is amended to read:

17 215.02 (4) IMMUNITY. Employees of the ~~division~~ department shall not be subject
18 to any civil liability or penalty, nor to any criminal prosecution, for any error in
19 judgment or discretion made in good faith and upon reasonable grounds in any action
20 taken or omitted under this chapter by the employee in the employee’s official
21 capacity.

22 **SECTION 71.** 215.04 (1) (b) of the statutes is amended to read:

23 215.04 (1) (b) Review the acts, orders, and determinations of the ~~division~~
24 department under this chapter.

25 **SECTION 72.** 215.04 (3) of the statutes is amended to read:

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

7 **SECTION 73.** 217.02 (2k) of the statutes is created to read:

8 217.02 (2k) “Department” means the department of financial institutions,
9 insurance, and professional standards.

10 **SECTION 74.** 217.02 (2m) of the statutes is repealed.

11 **SECTION 75.** 218.02 (1) (d) of the statutes is repealed.

12 **SECTION 76.** 218.02 (1) (dm) of the statutes is created to read:

13 218.02 (1) (dm) “Department” means the department of financial institutions,
14 insurance, and professional standards.

15 **SECTION 77.** 218.04 (1) (bm) of the statutes is created to read:

16 218.04 (1) (bm) “Department” means the department of financial institutions,
17 insurance, and professional standards.

18 **SECTION 78.** 218.04 (1) (c) of the statutes is repealed.

19 **SECTION 79.** 218.05 (1) (cm) of the statutes is created to read:

20 218.05 (1) (cm) “Department” means the department of financial institutions,
21 insurance, and professional standards.

22 **SECTION 80.** 218.05 (1) (d) of the statutes is repealed.

23 **SECTION 81.** 220.01 (1m) of the statutes is repealed.

24 **SECTION 82.** 221.0303 (2) of the statutes is amended to read:

1 221.0303 (2) OPERATION AND ACQUISITION OF CUSTOMER BANK COMMUNICATIONS
2 TERMINALS. A bank may, directly or indirectly, acquire, place, and operate, or
3 participate in the acquisition, placement, and operation of, at locations other than
4 its main or branch offices, customer bank communications terminals, in accordance
5 with rules established by the ~~division~~ department. The rules of the ~~division~~
6 department shall provide that any such customer bank communications terminal
7 shall be available for use, on a nondiscriminatory basis, by any state or national bank
8 and by all customers designated by a bank using the terminal. This subsection does
9 not authorize a bank which has its principal place of business outside this state to
10 conduct banking business in this state. The customer bank communications
11 terminals also shall be available for use, on a nondiscriminatory basis, by any credit
12 union, savings and loan association, or savings bank, if the credit union, savings and
13 loan association, or savings bank requests to share its use, subject to rules jointly
14 established by the ~~division of banking~~ department and the office of credit unions.
15 The ~~division~~ department by order may authorize the installation and operation of a
16 customer bank communications terminal in a mobile facility, after notice and
17 hearing upon the proposed service stops of the mobile facility.

18 **SECTION 83.** 221.0802 of the statutes is amended to read:

19 **221.0802 Banks may be placed in hands of ~~division~~ department.** A bank
20 doing business under this chapter may place its affairs and assets under the control
21 of the ~~division~~ department by posting a notice on its front door, as follows: “This bank
22 is in the hands of the ~~Division of Banking of the~~ Department of Financial
23 Institutions, Insurance, and Professional Standards”. Immediately upon posting
24 such notice, the bank shall notify the ~~division~~ department of this action. The posting
25 of the notice, or the taking possession of a bank by the ~~division~~ department, places

1 the bank's assets and property in the possession of the ~~division~~ department, and bars
2 any attachment proceedings. For each day the ~~division~~ department is placed in
3 possession of the bank, and until such time as a special deputy is appointed under
4 s. 220.08 (4), the bank shall pay to the ~~division~~ department the actual cost of such
5 liquidation proceedings. The ~~division~~ department shall pay the amounts to the state
6 treasurer and the percentage specified in s. ~~20.144 (1)~~ 20.142 (2) (g) shall be credited
7 to the appropriation account under s. ~~20.144 (1)~~ 20.142 (2) (g).

8 **SECTION 84.** 222.0102 (3) of the statutes is repealed.

9 **SECTION 85.** 224.71 (1e) of the statutes is repealed.

10 **SECTION 86.** 224.90 (1) of the statutes is repealed.

11 **SECTION 87.** 227.01 (13) (zy) of the statutes is amended to read:

12 227.01 (13) (zy) Relates to any form prescribed by the ~~division of banking in~~
13 the department of financial institutions, insurance, and professional standards in
14 connection with the licensing of mortgage bankers or mortgage brokers under s.
15 224.72 or the licensing of mortgage loan originators under s. 224.725.

16 **SECTION 88.** 227.52 (3) of the statutes is amended to read:

17 227.52 (3) Those decisions of the ~~division of banking~~ department of financial
18 institutions, insurance, and professional standards that are subject to review, prior
19 to any judicial review, by the banking review board, and decisions of the ~~division of~~
20 banking department of financial institutions, insurance, and professional standards
21 relating to savings banks or savings and loan associations, but no other financial
22 institutions subject to the jurisdiction of the ~~division of banking~~ department of
23 financial institutions, insurance, and professional standards, except as provided in
24 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.

1 **SECTION 89.** 321.60 (1) (a) 12. of the statutes is amended to read:

2 321.60 (1) (a) 12. A license or certificate of registration issued by the
3 department of financial institutions, ~~or a division of it, insurance, and professional~~
4 standards under ss. 138.09, 138.12, 138.14, 202.13, 202.14, 217.06, 218.0101 to
5 218.0163, 218.02, 218.04, 218.05, 224.72, 224.725, or 224.93 or subch. IV of ch. 551.

6 **SECTION 90.** 409.501 (1) (b) of the statutes is amended to read:

7 409.501 (1) (b) The office of the department of financial institutions, insurance,
8 and professional standards or any office duly authorized by the department, in all
9 other cases, including a case in which the collateral is goods that are or are to become
10 fixtures and the financing statement is not filed as a fixture filing.

11 **SECTION 91.** 426.103 of the statutes is amended to read:

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

16 **SECTION 92.** 426.104 (2) (intro.) of the statutes is amended to read:

17 426.104 (2) (intro.) The administrator shall report annually on practices in
18 consumer transactions, on the use of consumer credit in the state, on problems
19 attending the collection of debts, on the problems of persons of limited means in
20 consumer transactions, and on the operation of chs. 421 to 427 and 429. For the
21 purpose of making the report, the administrator may conduct research and make
22 appropriate studies. The report shall be ~~given to the division of banking for inclusion~~

1 included in the department's report of the division of banking under s. 220.14 and
2 shall include:

3 **SECTION 93.** 426.203 of the statutes is amended to read:

4 **426.203 Penalties.** Whoever fails to comply with the registration
5 requirements under s. 426.201 or fails to pay a fee required under s. 426.202 may be
6 required to forfeit not more than \$50. Each day that this failure continues
7 constitutes a separate offense. Forfeitures received by the administrator under this
8 section shall be credited to the appropriation account under s. ~~20.144 (1)~~ 20.142 (2)
9 (h) and may be expended from the account only for consumer or merchant education
10 programs.

11 **SECTION 94.** 551.102 (1m) of the statutes is amended to read:

12 551.102 (1m) "Administrator" means the ~~administrator of the division of~~
13 ~~securities in the department~~ secretary of financial institutions, insurance, and
14 professional standards or an employee of the department of financial institutions,
15 insurance, and professional standards designated by the secretary.

16 **SECTION 95.** 551.102 (4t) of the statutes is created to read:

17 551.102 (4t) "Department" means the department of financial institutions,
18 insurance, and professional standards.

19 **SECTION 96.** 551.102 (5m) of the statutes is repealed.

20 **SECTION 97.** 551.202 (26) (f) (intro.) of the statutes is amended to read:

21 551.202 (26) (f) (intro.) Not less than 10 days prior to the commencement of an
22 offering of securities in reliance on the exemption under this subsection, the issuer
23 files a notice with the administrator, in writing or in electronic form as prescribed by
24 the administrator, which the administrator shall make available as an electronic

1 document on the ~~department of financial institutions~~ department's Internet site,
2 containing all of the following:

3 **SECTION 98.** 551.202 (27) (h) (intro.) of the statutes is amended to read:

4 551.202 (27) (h) (intro.) Before the 101st offer of the security, the issuer
5 provides a notice to the administrator in writing or in electronic form, accompanied
6 by the filing fee specified in s. 551.614 (1m). The administrator shall prescribe the
7 form required for the notice and make the form available as an electronic document
8 on the ~~department of financial institutions~~ department's Internet site.
9 Notwithstanding s. 551.204 (1) and (3), the notice shall be limited to all of the
10 following:

11 **SECTION 99.** 551.205 (1) (b) 1. (intro.) of the statutes is amended to read:

12 551.205 (1) (b) 1. (intro.) The Internet site operator shall register with the
13 ~~division~~ department by filing a statement, which the administrator shall make
14 available as an electronic document on the ~~department of financial institutions~~
15 department's Internet site, accompanied by the filing fee specified in s. 551.614 (1m),
16 that includes all of the following:

17 **SECTION 100.** 551.205 (3) of the statutes is amended to read:

18 551.205 (3) If the Securities and Exchange Commission adopts rules under
19 authority of section 3 (h) of the Securities Exchange Act of 1934 (15 USC 78c (h)) and
20 P.L. 112-106, section 304, that authorize funding portals to receive commissions
21 without registering as broker-dealers under the Securities Exchange Act of 1934,
22 the ~~division~~ department shall promulgate rules authorizing Internet site operators
23 registered with the ~~division~~ department under sub. (1) (b) that are not registered as
24 broker-dealers under s. 551.401 to receive commissions. The ~~division~~ department
25 shall ensure that its rules authorizing commissions for Internet site operators are

1 consistent with rules adopted by the Securities and Exchange Commission. The
2 ~~division's~~ department's rules shall also ensure that Internet site operators that do
3 not satisfy rules adopted by the Securities and Exchange Commission have the
4 opportunity to operate in compliance with the requirements of this section.

5 **SECTION 101.** 551.206 of the statutes is amended to read:

6 **551.206 Adjustments.** At 5-year intervals after January 1, 2014, the
7 department ~~of financial institutions~~ shall adjust the monetary amounts specified in
8 s. 551.202 (26) (c) 1. a. and b. and (27) (c) 1. a. and b. to reflect changes since January
9 1, 2014, in the consumer price index for all urban consumers, Milwaukee–Racine
10 area average, as determined by the U.S. department of labor. Each adjustment shall
11 be rounded to the nearest multiple of \$50,000. Each adjustment under this section
12 shall be published on the ~~department of financial institutions~~ department's Internet
13 site.

14 **SECTION 102.** 551.601 (5) of the statutes is amended to read:

15 551.601 (5) SECURITIES INVESTOR EDUCATION AND TRAINING FUNDING. All moneys
16 collected from the administrative assessment under s. 551.604 (4) shall be credited
17 to the appropriation under s. ~~20.144 (1)~~ 20.142 (2) (i). Subject to s. ~~20.144 (1)~~ 20.142
18 (2) (i), the ~~division~~ department shall use moneys credited to that appropriation for
19 the purposes specified in sub. (4) and s. ~~20.144 (1)~~ 20.142 (2) (i).

20 **SECTION 103.** 551.605 (3) (bm) 1. of the statutes is amended to read:

21 551.605 (3) (bm) 1. Except as provided in subd. 2., a financial institution
22 holding company whose securities have been registered under this chapter shall not
23 be required to prepare or distribute to shareholders or provide to the department ~~of~~
24 ~~financial institutions~~, at any time after such registration, any financial statements,
25 financial information, annual reports, or other periodic reports except to the extent

1 required under ss. 180.1620 and 180.1622. This subdivision does not apply with
2 respect to any financial statement, financial information, or report required under
3 ch. 622 or 644 or otherwise required as a result of operations as an insurance
4 company.

****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.

5 SECTION 104. 551.614 (5) of the statutes is amended to read:

6 551.614 (5) FEES PAID TO STATE. All fees and expenses collected by the division
7 department under this section shall be deposited into the general fund and credited
8 to the appropriation account under s. ~~20.144 (1)~~ 20.142 (2) (g).

9 SECTION 105. 552.01 (1) of the statutes is repealed.

10 SECTION 106. 552.01 (1m) of the statutes is created to read:

11 552.01 (1m) "Department" means the department of financial institutions,
12 insurance, and professional standards.

13 SECTION 107. 552.23 (1) of the statutes is amended to read:

14 552.23 (1) If the target company is ~~an insurance company subject to regulation~~
15 ~~by the commissioner of insurance, a banking corporation, savings bank, or savings~~
16 ~~and loan association subject to regulation by the division of banking, or a company~~
17 subject to regulation by the public service commission, the department of
18 transportation, or the office of the commissioner of railroads, the ~~division of~~
19 ~~securities~~ department shall promptly furnish a copy of the registration statement
20 filed under this chapter to the regulatory agency having supervision of the target
21 company. Any hearing under this chapter involving any such target company shall
22 be held jointly with the regulatory agency having supervision, and any

1 determination following the hearing shall be made jointly with that regulatory
2 agency.

3 **SECTION 108.** 553.03 (2m) of the statutes is created to read:

4 553.03 (2m) “Department” means the department of financial institutions,
5 insurance, and professional standards.

6 **SECTION 109.** 553.03 (3) of the statutes is repealed.

7 **SECTION 110.** 553.605 (2) of the statutes is amended to read:

8 553.605 (2) INVESTOR EDUCATION. All moneys collected from the administrative
9 assessment under sub. (1) shall be credited to the appropriation under s. ~~20.144 (1)~~
10 20.142 (2) (i). Subject to s. ~~20.144 (1)~~ 20.142 (2) (i), the ~~division~~ department shall use
11 moneys credited to that appropriation to provide information to residents of this
12 state about franchise investments to help investors and potential investors evaluate
13 their investment decisions, protect themselves from false, fraudulent or deceptive
14 practices in connection with the offer, sale or purchase of a franchise, be alert for false
15 or misleading advertising or other harmful practices, and know their rights as
16 investors.

17 **SECTION 111.** 553.73 of the statutes is amended to read:

18 **553.73 Service of process.** When any person, including any nonresident of
19 this state, engages in conduct prohibited or made actionable by this chapter or any
20 rule or order under this chapter, whether or not the person has filed a consent to
21 service of process under s. 553.27 (10), and personal jurisdiction over the person
22 cannot otherwise be obtained in this state, that conduct shall be considered
23 equivalent to the person’s appointment of the ~~division~~ department to be the person’s
24 attorney to receive service of any lawful process in any noncriminal suit, action, or
25 proceeding against the person or the person’s successor or personal representative

1 that grows out of that conduct and that is brought under this law or any rule or order
2 under this chapter, with the same force and validity as if served on the person
3 personally. Service may be made by leaving a copy of the process at the office of the
4 ~~division~~ secretary of the department, but it is not effective unless the plaintiff, who
5 may be the ~~division~~ department in a suit, action, or proceeding instituted by the
6 ~~division~~ department, immediately sends notice of the service and a copy of the
7 process by registered or certified mail to the defendant or respondent at his or her
8 last-known address or takes other steps that are reasonably calculated to give actual
9 notice, and the plaintiff's affidavit of compliance with this section is filed in the case
10 on or before the return day of the process, if any, or within any further time that the
11 court allows.

12 **SECTION 112.** 601.415 (7) of the statutes is repealed.

13 **SECTION 113.** 601.415 (9) of the statutes is repealed.

14 **SECTION 114.** 611.76 (11) of the statutes is amended to read:

15 611.76 (11) SECURITY REGULATION. The filing with the ~~division of securities~~
16 department of a certified copy of the plan of conversion as approved by the
17 ~~commissioner~~ secretary constitutes registration under s. 551.305 of the securities
18 authorized to be issued thereunder.

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

19 **SECTION 115.** 616.74 (1) (c) of the statutes is amended to read:

20 616.74 (1) (c) A certificate from the department ~~of financial institutions~~, if it
21 is a nonprofit corporation, that it has complied with the corporation laws of this state;
22 if it is a corporation the stock of which has been or is being sold to the general public,

1 a certificate from the ~~division of securities~~ department that it has complied with the
2 requirements of the securities law of this state.

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

3 **SECTION 116.** 766.565 (7) of the statutes is amended to read:

4 766.565 (7) With respect to consumer credit transactions, the ~~division of~~
5 banking department of financial institutions, insurance, and professional standards
6 may promulgate rules to interpret this chapter and chs. 421 to 427, consistent with
7 the purposes and policies of this chapter and chs. 421 to 427.

8 **SECTION 117.** 813.16 (7) of the statutes is amended to read:

9 813.16 (7) If the person seeking the appointment of a receiver under sub. (1)
10 is a savings and loan association or savings bank supervised by the ~~division of~~
11 banking department of financial institutions, insurance, and professional standards
12 or a corporation supervised by the home loan bank board, federal office of thrift
13 supervision, federal deposit insurance corporation, or resolution trust corporation,
14 the court, unless the opposing party objects, shall appoint an officer of such
15 corporation as receiver to act without compensation and to give such bond as the
16 court requires.

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

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

19 (a) *Agency name change.* 1. Wherever the term “department of financial
20 institutions” appears in the statutes, as affected by the acts of 2015, the term
21 “department of financial institutions, insurance, and professional standards” is
22 substituted.

1 2. Wherever the term “secretary of financial institutions” appears in the
2 statutes, as affected by the acts of 2015, the term “secretary of financial institutions,
3 insurance, and professional standards” is substituted.

4 (b) *Elimination of division of securities.* Wherever the term “division of
5 securities” or “division” appears in chapters 551, 552, and 553 of the statutes, as
6 affected by the acts of 2015, the term “department” is substituted, except in sections
7 551.202 (26) (h) and (i) and 552.03 (1) (e) of the statutes.

8 (c) *Elimination of division of banking.* 1. Wherever the term “division of
9 banking” appears in sections 214.592 and 215.141, subchapter I of chapter 218, and
10 chapters 34, 138, and 227, of 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 “division” appears in sections 138.09, 138.12, 138.14,
14 138.16, subchapters II, III, and IV of chapter 218, and chapters 214, 215, and 217,
15 of the statutes, as affected by the acts of 2015, the term “department” is substituted.

16 3. Wherever the term “division” or “division of banking” appears in chapters
17 220, 221, 222, 223, and 224 of the statutes, as affected by the acts of 2015, the term
18 “department” is substituted, except in section 224.77 (1m) (b) of the statutes.

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

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

22 (a) *Positions and employees.* On the effective date of this paragraph, all
23 positions and all incumbent employees in the classified service of the state civil
24 service holding those positions in the technical college system board performing
25 duties primarily related to the functions of the educational approval board, as

1 determined by the secretary of administration, are transferred to the department of
2 financial institutions, insurance, and professional standards.

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

****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 DFIIIPS.

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

11 (1) GIFTS AND GRANTS. There is transferred from the appropriation account
12 under section 20.142 (2) (h) of the statutes, as affected by this act, to the
13 appropriation account under section 20.142 (1) (gm) of the statutes, as affected by
14 this act, all moneys, in the amount determined by the secretary of administration,
15 received from gifts, grants, and bequests that have been credited to the
16 appropriation account under section 20.142 (2) (h) of the statutes, as affected by this
17 act, and that have not been expended or encumbered on or before the effective date
18 of this subsection.

****NOTE: This transfers the unencumbered balance of gifts and grants to the
general appropriation for gifts and grants in LRB-0797.

19

(END)