



**State of Wisconsin**  
*Department of Financial Institutions*

Jim Doyle, **Governor**

Lorrie Keating Heinemann, **Secretary**

July 21, 2008

Wisconsin Legislative Council  
Rules Clearinghouse  
1 E. Main St., 2<sup>nd</sup> Floor  
Madison, WI 53702

Re: Proposed Order Adopting Revisions to Rules of the Department of  
Financial Institutions, Division of Securities/ 2008 Rule Revision/  
Fiscal Estimate Relating to Proposed Rules

Gentlemen and Mesdames:

Pursuant to the requirements of sec. 227.15, Wis. Stats., the Division is filing for review by the Legislative Council/ Rules Clearinghouse staff, a copy of a Proposed Order Adopting Rules containing revisions to the Rules of the Division of Securities of the Department of Financial Institutions promulgated under Chapter 551, Wis. Stats., the Wisconsin Uniform Securities Law, and under Chapter 553, Wis. Stats., the Wisconsin Franchise Investment Law. An electronic (Word) version of the Proposed Order is being e-mailed to the Clearinghouse separately, as well as to the Department of Administration for placement on their Administrative Rules website.

The majority of the proposed revisions are under the Wisconsin Uniform Securities Law for the purpose of implementing its repeal and recreation in 2007 Wisconsin Act 196 that will become effective on January 1, 2009. The rule changes involve all aspects of Wisconsin securities regulation (definitions, securities registration procedures and registration exemptions, securities broker-dealer and investment adviser registration, enforcement powers and procedures, as well as general administrative powers). Also included are several revisions to rules under the Wisconsin Franchise Investment Law that are necessary to make certain existing Wisconsin Franchise Rules establishing requirements for disclosure documents used in connection with the offer and sale of franchises to persons in Wisconsin in order to be consistent with a recent Federal Trade Commission Franchise Rule on that subject. Each SECTION of the Proposed Order that contains a substantive adoption, amendment or repeal of a rule is followed by a separate Comment which discusses the nature of the revision as well as the reason for it.

In addition, enclosed pursuant to sec. 227.14(4), Wis. Stats., is a copy of a completed Fiscal Estimate and Fiscal Estimate Worksheet relating to the proposed rules. A copy also is being filed with the Dept. of Administration.

If you have any questions during the review period with respect to the proposed rules, please call me at 266-3414 as the person responsible for this Division's internal processing of administrative rules.

Very truly yours,

Randall E. Schumann  
Legal Counsel for the Division

*Division of Securities*

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cc: Patricia D. Struck, Division Administrator  
Catherine Haberland,, DFI Executive Assistant  
David Schmiedicke, Department of Administration