

CR 84-183

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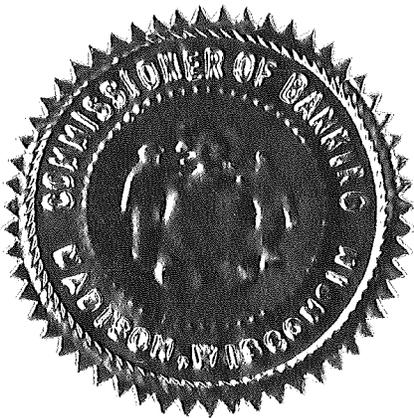
STATE OF WISCONSIN)
)
OFFICE OF COMMISSIONER OF BANKING)

TO ALL WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, Jennifer McKenzie, Deputy Commissioner of Banking, and custodian of the official records of said office, do hereby certify that the annexed rules relating to branches and bank stations were duly approved and adopted by this office on the 19th day of December, 1984.

I further certify that said said copy has been compared by me with the original on file in this office and that the same is a true copy thereof, and of the whole of such original.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the official seal of the department at the Office of the Commissioner of Banking in the City of Madison, this 8th day of March, 1985.



Jennifer McKenzie

Jennifer McKenzie
Deputy Commissioner of Banking

5-1-85

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PROPOSED ORDER OF THE OFFICE OF COMMISSIONER OF BANKING

MAR 8 1985

ADOPTING, REPEALING AND AMENDING RULES

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To repeal and recreate Chapter Bkg. 8 (Title) and Bkg. 8.01 through 8.05, and to repeal Bkg. 8.06 through 8.14 relating to branches and bank stations.

Clearing House Rule 84-183, Final Draft Form

Analysis prepared by the Office of Commissioner of Banking.

1. Definitions of "branch" and "home office" have been incorporated to clarify the scope of the rules. The concept that a branch has no separate legal identity has been retained in Bkg. 8.01.
2. The criteria which the Commissioner and the Banking Review Board will apply in evaluating branch applications are described in Bkg. 8.02. The criteria reflect the legislative intent of Sec. 221.04(1)(j), Stats., to the effect that any well-managed bank may establish a branch at any location which meets the locational or other technical requirements set forth in the branch statutes.
3. References to "stations" have been omitted. These references create confusion because of the reference to paying and receiving stations in Sec. 221.14(4m), Stats., to which Ch. Bkg. 8 is not intended to apply.
4. The transactional reporting requirements in old Bkg. 8.03 to 8.06 have essentially been consolidated in new Bkg. 8.03.
5. The requirement that bank checks contain the name and location of the home office in old Bkg. 8.07 has been retained in new Bkg. 8.04.
6. The auditing requirements in old Bkg. 8.14 have been restated more succinctly in new Bkg. 8.05.
7. Old Bkg. 8.02 and 8.08 through 8.13 have been repealed as obsolete.
8. These rules have no fiscal impact or small business impact.

Pursuant to the authority vested in the Commissioner of Banking and the Banking Review Board pursuant to Sec. 220.02(2) and 227.014, Stats., the Commissioner and the Banking Review Board hereby create and repeal rules interpreting Sec. 221.04(1)(j), Stats., as follows:

SECTION 1. Chapter Bkg. 8 (Title) is repealed and recreated to read:

BRANCHES.

SECTION 2. Bkg. 8.01 is repealed and recreated to read:

Bkg. 8.01 DEFINITIONS. (1) "Branch" means a banking facility authorized pursuant to s. 221.04(1)(j) or (n), Stats., which has no legal identity, assets or liabilities separate from the home office. (2) "Home office" means a bank chartered pursuant to s. 221.01, Stats., which owns and operates one or more branches.

SECTION 3. Bkg. 8.02 is repealed and recreated to read:

Bkg. 8.02 EVALUATION OF BRANCH APPLICATIONS. A bank may establish and operate a branch provided only that the applicant bank and the proposed location satisfy the technical requirements specified in s. 221.04(1)(j) or (n), Stats., and that the applicant bank has not been determined by the commissioner to be conducting its business in an unsafe, unsound or unauthorized manner.

SECTION 4. Bkg. 8.03 is repealed and recreated to read:

Bkg. 8.03 DAILY REPORT TO MAIN OFFICE. Every banking transaction at a branch which would be entered in the general ledger of the home office if it had occurred at the home office shall be reported to the home office on a daily basis and entered in the general ledger of the home office for that business day.

SECTION 5. Bkg. 8.04 is repealed and recreated to read:

Bkg. 8.04 BRANCH IDENTIFICATION ON CHECKS. The name and location of the home office shall be stated on all bank checks. The name of a branch may be stated on bank checks.

SECTION 6. Bkg. 8.05 is repealed and recreated to read:

Bkg. 8.05 BRANCH SUPERVISION. Periodic audits shall be made of the books, records and operating procedures at each branch. These audits will be reviewed by an officer of the home bank. The audits are to be unannounced and are to be conducted at least once each month. All components of branch operations need not be covered in every audit.

SECTION 7. Bkg. 8.06 through 8.14 are repealed.

The rules and repeals contained in this proposed order shall take effect as provided in Sec. 227.026 (1)(intro.), Stats.

Dated: December 19, 1984



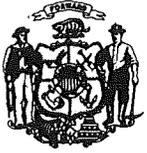
William P. Dixon, Commissioner

For the BANKING REVIEW BOARD

Dated: December 19, 1984



Edmund R. Hobbins, Chairman



State of Wisconsin \ OFFICE OF COMMISSIONER OF BANKING

ANTHONY S. EARL
GOVERNOR

WILLIAM P. DIXON
COMMISSIONER

123 WEST WASHINGTON AVENUE
MADISON, WISCONSIN 53702

MAILING ADDRESS
P.O. BOX 7876
MADISON, WISCONSIN 53707

(608) 266-1621

March 7, 1985

Mr. Gary Poulson
Assistant Revisor
411-West, State Capitol
Madison, WI 53702

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RE: Clearing House Rule 84-183

Dear Gary:

Attached please find a certified copy and one additional copy of these rules for publication in the Administrative Code. The rules were submitted to the Senate and Assembly in final draft form on January 18, 1985. We have not received any request for any meeting on these rules from any standing committee of the legislature.

Very truly yours,

A handwritten signature in cursive script that reads "Bob Patrick".

Robert A. Patrick
General Counsel

RAP:ato

Enclosure