

* * * *having a population of two hundred fifty thousand or more, the commitment shall be either to the * * * county hospital for the insane or the * * * county asylum for the chronic insane in such county, in the discretion of the judge, having due regard to the condition of the person committed and the nature of his or her malady. If such person is a nonresident of such county, he shall be committed to the state hospital for the insane in the district of which such county is a part, and the committing judge shall, if possible, ascertain the state, county or other political division in which the person has a legal settlement, which information shall be included in the order of commitment.*

SECTION 2. This act shall take effect upon passage and publication.

Approved July 22, 1929.

No. 360, S.]

[Published July 24, 1929.]

CHAPTER 323.

AN ACT to amend sections 186.04, 186.09, 186.11, 186.17 and to create section 186.19 of the statutes, relating to credit unions. *The people of the State of Wisconsin, represented in Senate and Assembly, do enact as follows:*

SECTION 1. Sections 186.04, 186.09, 186.11 and 186.17 of the statutes are amended to read: 186.04 The provisions of sections 215.31 to 215.35, inclusive, of the statutes shall apply to credit unions and their directors, committees and officers, and they shall be subject to the supervision of the commissioner of banking in the manner and to the extent set forth in said sections; *provided that every credit union shall be required to pay only the actual cost for supervision and examination during its first calendar year.*

186.09 The credit committee shall approve every loan or advance made by the corporation. Every application for a loan shall be made in writing and shall state the purpose for which the loan is desired and the security offered, if any. No loan shall be made unless the credit committee is satisfied that it promises to benefit the borrower, nor unless it has received the unanimous approval of those members of said committee who were present when it was considered, nor if any member of said committee shall disapprove thereof; but the applicant for a loan may appeal

from the decision of the credit committee to the board of directors. All loans exceeding fifty dollars shall be secured by such collateral as the credit committee shall approve, or shall be guaranteed by one or more persons whose responsibility is acceptable to the credit committee. A borrower may repay the whole or any part of his loan at any time. *An interest charge on loans at a rate of one per cent per month on unpaid balances shall not be held to be usurious.*

186.11 The capital and surplus funds of the corporation shall be lent to the members for such purposes and upon such security and terms as the credit committee shall approve. Any funds not required for purposes of loans may be deposited to the credit of the corporation in banks or trust companies incorporated under the laws of this state, or in national banks located therein, or may be invested in securities which are legal investments for trust funds under section 231.32. * * * *It shall be lawful for the board of directors to borrow money not to exceed twenty-five per cent of the total assets but not for a longer period than ninety days, except that such period may be extended when approved by the commissioner of banking under the following conditions:*

(a) *If the cash available be insufficient to make the loans approved by the credit committee.*

(b) *If the requests for withdrawal exceed available cash.*

186.17 Immediately before the payment of each dividend, there shall be set apart as a guaranty fund twenty per cent of the net income which has accumulated during the fiscal year *until such fund equals ten per cent of the total assets.* Said fund and the investments thereof shall belong to the corporation and shall be held to meet contingencies or losses in its business. *Whenever said fund falls below ten per cent of the assets aforesaid, it shall be replenished by regular appropriations of at least twenty per cent as hereinbefore provided.* * * * But upon recommendation of the board of directors the members at an annual meeting may increase, and whenever said fund equals or exceeds the amount of capital stock actually paid in, may decrease, the proportion of profits which is required by this section to be set apart as a guaranty fund.

SECTION 2. A new section is added to the statutes to read: 186.19 (1) Every person appointed or elected to any position requiring the receipt, payment or custody of money or other personal property belonging to a credit union, shall, within thirty

days after such appointment or election, give a bond in some good and responsible corporate surety company, in such sums as the directors shall require and approve. All such bonds shall be in the form prescribed by the commissioner of banking.

(2) Such bonds shall be filed with the commissioner of banking of this state within ten days next after the approval thereof by the board of directors, and receipts for the annual premium thereon, after the first year, shall be filed with the commissioner of banking within ten days after the renewal date. The minute books of each credit union shall contain a record of each bond executed and approved.

(3) Such bonds shall be sufficient in amount to protect the credit union from loss by reason of acts of fraud, dishonesty, forgery, theft, embezzlement, wrongful abstraction, or misapplication on the part of the principal, directly or through connivance with others. The commissioner of banking may at any time require additional bond or security when, in his opinion, the bonds then executed and approved are insufficient.

(4) No officer or employe who is required to give bond shall be deemed qualified to enter upon the discharge of his duties until his bond, or the renewal or continuance thereof, shall have been approved by a majority of the board of directors and filed with the commissioner of banking as herein required.

SECTION 3. This act shall take effect upon passage and publication.

Approved July 22, 1929.

No. 426, S.]

[Published July 24, 1929.

CHAPTER 324.

AN ACT to create section 28.15 of the statutes, relating to the exchange of forestry lands owned by the state and counties. *The people of the State of Wisconsin, represented in Senate and Assembly, do enact as follows:*

SECTION 1. A new section is added to the statutes to read:
 28.15 For the purpose of blocking out state-owned and county-owned forest lands, the state or any county is authorized to exchange any of such lands for other lands adapted to forestry purposes whether publicly or privately owned. The word "exchange" as used herein includes the purchasing of lands with-