

No. 215, S.]

[Published June 29, 1949.

CHAPTER 348.

AN ACT to repeal 215.60 (4); to renumber 215.73 (8) to be 215.73 (9); to amend 215.12 (1) and (2), 215.22 (1), 215.24 (2), 215.45 (6), 215.50 (1), 215.52 (4), 215.54, 215.70 (7) (a), 220.28, and 220.29; to repeal and recreate 215.50 (6) and 215.53 (2) and (4); to create 215.385, 215.45 (10), (11) and (12), 215.50 (7), 215.55, 215.56, 215.57, 215.58 and 215.73 (8) of the statutes as revised by chapter . . . , laws of 1949 (Bill No. 20, S.), relating to membership in savings and loan associations, administration of the savings and loan department and to clarify chapter 215.

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

SECTION 1. 215.12 (1) and (2) of the statutes are amended to read:

215.12 (1) Any person, firm, corporation, association, the home owners' loan corporation and other federal agencies may become a member of any association * * * by subscribing in writing for membership therein and by either the purchase of its shares or by borrowing money from such association.

(2) No person, firm, corporation or association, except the home owners' loan corporation and other federal agencies, shall own * * * shares exceeding in * * * total participation value the sum of * * * \$50,000 in any one association * * *.

SECTION 2. 215.22 (1) of the statutes is amended to read:

215.22 (1) Except as otherwise provided in section * * * 215.21 every mortgage loan shall be evidenced by a mortgage note or bond, which shall be secured by a mortgage upon real estate in Wisconsin, and not to exceed 50 miles distant from the office of the association. Such real estate shall be unincumbered except by prior loans of the association, and the mortgage note or bond shall also be secured, if requested by the association, by a pledge to the association of the shares borrowed upon.

SECTION 3. 215.24 (2) of the statutes is amended to read:

215.24 (2) If the total amount of the borrower's cumulative advance * * * re-payments made during the life of the loan exceeds 20 per cent of the original amount of the loan, the association may charge 90 days' interest on the amount repaid.

SECTION 4. 215.385 of the statutes is created to read:

215.385 PERJURY. Every officer or employe of any savings and loan association required by law to take oath or affirmation who wilfully falsely swears or affirms on any material matter is guilty of perjury and shall be punished as is provided for the punishment of perjury.

SECTION 5. 215.45 (6) of the statutes is amended to read:

215.45 (6) With the approval of the commissioner, any association may invest not exceeding * * * an amount equivalent to one-half of the total of its * * * general * * * reserves and undivided profits for the purchase or construction of a building to be occupied by the association as its office.

SECTION 6. 215.45 (10), (11) and (12) of the statutes are created to read:

215.45 (10) OBSOLETE RECORDS. Any association may destroy or dispose of such of its records as may become obsolete after first obtaining the written consent of the commissioner.

(11) CLOSING ON LEGAL HOLIDAYS. No association shall transact business or be open for the purpose of transacting business on Sundays or such of the legal holidays listed in section 256.17 as are designated as legal holidays by the commissioner.

(12) ACTIONS; VENUE. Proceedings by any association to enjoin the commissioner in the discharge of his duties shall be had in the county where the savings and loan association is located, or in the supreme court of this state. All suits and proceedings arising out of the provisions of this chapter, in which the state, or any of its officers or agents shall be parties, shall be conducted under the direction and supervision of the attorney-general.

SECTION 7. 215.50 (1) of the statutes is amended to read:

215.50 SAVINGS AND LOAN * * * DEPARTMENT. (1) A savings and loan * * * department is established, which shall execute the laws relating to savings and loan associations in this state. The department shall be under the management and control of a commissioner * * *.

SECTION 8. 215.50 (6) of the statutes is repealed and recreated to read:

215.50 (6) DISCLOSURE OF INFORMATION; PENALTY. (a) The commissioner, and all other officers and employes of the savings and loan department, and members of the advisory committee shall keep secret all of the facts and information obtained in the course of examinations, except so far as the public duty of such person requires him to report upon or take special action regarding the affairs of any association, and except when called as a witness in any criminal proceeding or trial in a court of justice; and except that such officers and employes, may, in their discretion and under such rules and regulations as are prescribed by the commissioner, compare notes as to matters affecting an association with an examiner of the Federal Home Loan Bank or Federal Savings and Loan Insurance Corporation as to any association whose share accounts are insured by the Federal Savings and Loan Insurance Corporation. The commissioner may furnish to the Federal Home Loan Bank or Federal Savings and Loan Insurance Corporation or to any official or examiner thereof a copy of any examination made of any association or of any report made by such association, and may give access to and disclose to the Federal Home Loan Bank, Federal Savings and Loan Insurance Corporation or to any official or examiner thereof any information possessed by him about the conditions or affairs of any association whose share accounts are insured by the Federal Savings and Loan Insurance Corporation.

(b) If any of the persons mentioned in paragraph (a) discloses the name of any debtor of any association, or any information about the private account or transactions of such association, or discloses any fact obtained in the course of any examination of any association, except as herein provided, he shall forfeit his office or position and be fined not less than \$100 nor more than \$1,000, or imprisoned not less than 6 months nor more than 2 years, or both fined and imprisoned.

SECTION 9. 215.50 (7) of the statutes is created to read:

215.50 (7) The revisor of statutes is directed to change "savings and loan association department" to "savings and loan department" wherever the former appears in the statutes.

SECTION 10. 215.52 (4) of the statutes is amended to read:

215.52 (4) At least once each year, the commissioner shall examine the affairs of all such associations and for that purpose he or the examiners appointed by him shall have

access to, and may compel the production of, all their books, papers, securities and moneys, administer oaths to and examine their officers and agents as to their affairs. *Neither the commissioner nor any employe of the department shall examine an association in which he is interested as an officer or director.*

SECTION 11. 215.53 (2) and (4) of the statutes are repealed and recreated to read:

215.53 (2) ANNUAL FEE. In addition to such capital fee, associations organized pursuant to the provisions of this chapter, shall, on or before the fifteenth day of July, pay an annual fee as determined by the commissioner and the savings and loan advisory committee, but not exceeding 12 cents per thousand of assets or fraction thereof.

(4) REGULAR EXAMINATION COSTS. (a) On or before June 30 of each year, the commissioner and the advisory committee shall determine the approximate total cost of examining all associations in the state during the next 12 months. The determined cost shall include: the salaries and expenses of all examiners and other employes of the department actively engaged in examination work; the salaries and expenses of the commissioner or other persons whose extra services are required in connection with examination work; and all other expenses which may be attributable to examination work.

(b) To fix a per diem charge for each examiner for a 7½ hour day the commissioner and the advisory committee shall, after having determined the approximate total cost of examinations, divide said total examination cost by the total number of man days required to make such examinations.

(c) After the per diem charge for each examiner has been fixed by the commissioner and the advisory committee, each association shall be uniformly billed for examinations during the ensuing year on a fixed per diem basis for each examiner engaged in such examination.

(d) Every charge so made to an association for its examination shall be paid within 30 days from the time the association receives notice of the assessment.

SECTION 12. 215.54 of the statutes is amended to read:

215.54 The commissioner shall annually make a report to the governor of the general conduct and conditions of associations doing business in this state, including * * * *therein such facts and suggestions* as he deems expedient. The commissioner's annual report to the governor shall be based upon the individual annual reports of associations filed with him, and shall also include * * * *the* information required in section 215.70 (7) (a). The commissioner shall designate the number of copies of * * * *the* report to be * * * *made available for distribution*. Each association shall be entitled to one copy, the remainder to be for general distribution.

SECTION 13. 215.55 of the statutes is created to read:

215.55 OBSOLETE RECORDS. Whenever necessary to gain needed vault space the commissioner may turn over to the director of purchases for destruction obsolete records which have been in his possession for a period of 10 years or more.

SECTION 14. 215.56 of the statutes is created to read:

215.56 CERTIFIED COPIES OF RECORDS OF COMMISSIONER. Copies of all records and papers in the office of the commissioner, certified by him and authenticated by his seal of office, shall be evidence in all cases equally and of like effect as the original.

SECTION 15. 215.57 of the statutes is created to read:

215.57 FEES FOR CERTIFIED COPIES. Whenever the commissioner furnishes a certified copy of any paper or record, he shall be entitled to a fee of 10 cents per folio for making such copy or copies and 50 cents for each certificate. All such fees shall be paid by the commissioner into the state treasury to the credit of the department.

SECTION 16. 215.58 of the statutes is created to read:

215.58 IMMUNITY OF THE COMMISSIONER. (1) The commissioner shall not be subject to any civil liability or penalty, nor to any criminal prosecution, for any error in judgment or discretion made in good faith and upon reasonable grounds in any action taken or omitted by him in his official capacity.

(2) This section shall be retroactive to July 17, 1947.

SECTION 17. 215.60 (4) of the statutes is repealed.

SECTION 18. 215.70 (7) (a) of the statutes is amended to read:

215.70 (7) (a) Unclaimed liquidating dividends and all funds remaining in the hands of the special deputy commissioner at the date of the order for final distribution together with all final liquidating costs shall be by him delivered to the commissioner to be deposited by him in state banks, *or in local savings and loan associations* to the credit of the commissioner, in trust for the shareholders and creditors entitled thereto. The commissioner shall include in his annual report to the governor the names of associations liquidated, and the sums of unclaimed and unpaid liquidating dividends and un-

claimed funds with respect to each of them, and a statement of interest earned upon such funds.

SECTION 19. 215.73 (8) of the statutes is renumbered 215.73 (9).

SECTION 20. 215.73 (8) of the statutes is created to read:

215.73 (8) DISPOSITION OF FUNDS. (a) Unclaimed liquidating dividends and all funds remaining unpaid in the hands of the association or its board of directors at or immediately prior to the date of final distribution together with all final liquidating costs shall be by them delivered to the commissioner to be by him deposited in one or more state banks or local savings and loan associations, to the credit of the commissioner in his name, in trust for the various shareholders and creditors entitled thereto. The commissioner shall include in his annual report to the governor the names of the associations so liquidated and the sums of unclaimed and unpaid liquidating dividends and unclaimed funds with respect to each of them respectively, including a statement of interest or dividends earned upon such funds.

(b) Any claims not presented within 10 years from the time an order of final distribution is made by the board of directors of a liquidating association shall be deemed to have been abandoned and shall be barred and the amount of the fund against which any claim or claims shall have become barred shall forthwith become the property of the state. The state treasurer shall in the 30-day period preceding the end of each fiscal year ascertain from the commissioner the amount in said funds against which claims shall have become barred during said fiscal year and the commissioner shall transfer said amount to the general fund.

(c) The commissioner may pay over the moneys so held by him to the persons respectively entitled thereto, upon being furnished satisfactory evidence of their right to the same. In case of doubt or conflicting claims, he may require an order of the circuit court authorizing and directing the payment thereof. He may apply the interest and dividends earned by the moneys so held by him toward defraying the expenses of the savings and loan department.

SECTION 21. 220.28 of the statutes is amended to read:

220.28 Any state bank, * * * or credit union may destroy or dispose of such of its records as may have become obsolete after first obtaining the written consent of the state commissioner of banks.

SECTION 22. 220.29 of the statutes is amended to read:

220.29 No state bank, trust company bank, or mutual savings bank * * * shall transact business or be open for the purpose of transacting business on Sunday or any legal holiday under section 256.17 designated by the commissioner of banks.

Approved June 24, 1949.
