



State of Wisconsin
2015 - 2016 LEGISLATURE

LRB-1187/1
ARG:wlj:jf

2015 ASSEMBLY BILL 23

February 5, 2015 - Introduced by Representatives CRAIG, JARCHOW, CZAJA, HORLACHER, HUTTON, KAHL, KAPENGA, KATSMA and A. OTT. Referred to Committee on Financial Institutions.

1 **AN ACT** *to create* 241.02 (3) of the statutes; **relating to:** prohibiting certain
2 actions against financial institutions for offers, promises, agreements, or
3 commitments that are not in writing.

Analysis by the Legislative Reference Bureau

This bill prohibits any person from bringing an action against a financial institution or its affiliate on or in connection with an offer, promise, agreement, or commitment to lend money, extend credit, or make any other financial accommodation, or to renew, extend, modify, or permit a delay in repayment or performance of a loan, extension of credit, or other financial accommodation, unless the offer, promise, agreement, or commitment 1) is in writing; 2) sets forth relevant terms and conditions; and 3) is signed with an authorized signature by the financial institution or its affiliate and delivered to the party seeking to enforce the offer, promise, agreement, or commitment. Under the bill, a financial institution is a state-chartered or federally chartered bank, savings bank, savings and loan association, or credit union and its affiliate is a business entity that controls, is controlled by, or is under common control with the financial institution. The bill does not apply to credit transactions that are subject to the Wisconsin Consumer Act.

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

ASSEMBLY BILL 23

1 **SECTION 1.** 241.02 (3) of the statutes is created to read:

2 241.02 (3) (a) In this subsection:

3 1. “Affiliate,” with respect to a bank, savings bank, savings and loan
4 association, or credit union, means a business entity that controls, is controlled by,
5 or is under common control with the bank, savings bank, savings and loan
6 association, or credit union.

7 2. “Financial institution” means a bank, savings bank, savings and loan
8 association, or credit union organized under the laws of this state, another state, or
9 the United States.

10 (b) No action may be brought against a financial institution or its affiliate on
11 or in connection with any of the following offers, promises, agreements, or
12 commitments of the financial institution or its affiliate unless the offer, promise,
13 agreement, or commitment is in writing, sets forth relevant terms and conditions,
14 and is signed with an authorized signature by the financial institution or its affiliate
15 and delivered to the party seeking to enforce the offer, promise, agreement, or
16 commitment:

17 1. An offer, promise, agreement, or commitment to lend money, grant or extend
18 credit, or make any other financial accommodation.

19 2. An offer, promise, agreement, or commitment to renew, extend, modify, or
20 permit a delay in repayment or performance of a loan, extension of credit, or other
21 financial accommodation.

22 (c) An offer, promise, agreement, or commitment by a financial institution or
23 its affiliate described in par. (b) may not be enforced under the doctrine of promissory
24 estoppel.

