

No. 51, A.]

[Published February 2, 1932.]

**CHAPTER 23.**

AN ACT to repeal section 215.36; to amend sections 215.11, 215.13, 215.312 and 215.43; and to create subsection (16) of section 215.33, subsections (3) to (7) of section 215.24 and a new section 215.36 of the statutes, relating to building and loan associations.

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

SECTION 1. Section 215.36 of the statutes is repealed.

SECTION 2. Sections 215.11, 215.13, 215.312 and 215.43 of the statutes are amended to read: 215.11 A member may withdraw his unpledged shares at any time by giving thirty days' written notice of such intention, *except that the commissioner may, whenever he shall have determined it to be for the best interest of the members of an association, issue an order to such association requiring that members give a written notice conforming with the time required in such order, provided, however, that the time of notice in such order shall not exceed six months*, and shall then be entitled to receive the amount \* \* \* paid in by him, and such proportion of the profits as the by-laws may prescribe, less all fines, charges and losses accrued or contingent to the time of the notice of withdrawal, as the board of directors may determine, with no dividends, interest or profits from the time of such notice. Provided, however, that the amount of dividends, interest or profits paid shall not exceed the earnings apportioned or credited to the shares of stock withdrawn, and further, that at no time shall more than one-half of the \* \* \* *monthly receipts of dues and interest* be applicable to the demands of withdrawing or maturing members without the consent of the directors.

215.13 When, by making regular weekly or monthly payments as provided for in section 215.08, any stock shall have reached its matured value payment of dues thereon shall cease. Borrowers shall be entitled to have their securities released and returned to them. The holders of unpledged shares shall be paid out of the funds of the association the matured value thereof, with such rate of interest or dividends as shall be determined by the by-laws, from the time the directors shall declare such stock to have matured until paid. And when such maturity is reached between

the dates of adjustment of profits the holders of stock maturing shall, in addition to the value thereof, be entitled to interest or dividends at such rate as may be fixed by the by-laws or determined upon by the directors, based upon the last apportionment, for all full months from the date of the preceding adjustment, or they may elect to continue payments of dues until the next date of adjustment of profits, at which time they shall be entitled to receive all dues paid and profits apportioned; provided, that at no time shall more than one-half of the monthly receipts of *dues and interest* of the association be applicable to the payment of matured or *withdrawing* shares without consent of the directors; but they may, at any time before maturity, retire unpledged shares by enforcing the withdrawal of the same as prescribed in the by-laws or articles of incorporation.

215.312 On or before the fifteenth day of July, \* \* \* 1932, and on or before the fifteenth day of June of each year thereafter, every building and loan association carrying on business in this state shall be required to pay to the commissioner of banking for supervision and examination as hereinafter provided:

(1) \* \* \* *Capital fee of \* \* \* thirty-five dollars if the authorized capital stock is five million dollars or less and an additional capital fee of thirty-five dollars for each five million dollars of authorized capital stock.*

(2) In addition to the annual fees each building and loan association shall be required to pay an annual assessment as follows:

(a) \* \* \* *Ten cents per thousand for the first million dollars of assets or fraction thereof;*

(b) \* \* \* *Eight cents per thousand for the second and third million dollars of assets or fraction thereof;*

(c) \* \* \* *Seven cents per thousand for the fourth and fifth \* \* \* million dollars of assets or fraction thereof;*

(d) *Five cents per thousand for assets above \* \* \* five million dollars.*

(4) Any association failing to pay the above assessment by the fifteenth day of June of each year shall, if the commissioner shall so order, forfeit a penalty of ten dollars for each day it neglects and fails to pay such assessment.

215.43 The name "building and loan association," as used in this chapter, shall include all societies, organizations or associations doing a mutual saving and loan or investment business on

the local mutual building association plan, whether issuing certificates of stock or bonds, or any other evidences of indebtedness, whether the time of maturity be fixed or not. *The word "commissioner" as used in this chapter, shall mean the "commissioner of banking". The word "supervisor" shall mean the "building and loan supervisor."* *The words "book value" shall mean the amount standing to the credit of any member's shares upon the books of the association. The words "withdrawal value" shall mean the book value of shares less the amount due for interest, advances made for taxes, insurance or any other charges, withdrawal fees and forfeitures, as the by-laws of such association may provide.*

SECTION 3. A new subsection is added to section 215.33, five new subsections are added to section 215.24 and a new section is added to the statutes to be numbered and to read: (215.33) (16) Whenever from and after September 1, 1931, the commissioner shall have taken possession of the property and business of any association under subsection (2) of this section he shall apply the withdrawal value of all shares pledged upon a mortgage loan to such loan, and the rate of interest charged on the balance due on such loan from and after the date on which possession was so taken shall be the legal rate as provided for by law.

(215.24) (3) Whenever the commissioner shall have doubt as to the correctness of the losses reported in the statement made as provided for in subsection (2) of this section, he shall issue an order to such association, requiring the directors to forthwith appoint, subject to the approval of the commissioner, three competent persons, not members of such association, who shall appraise any or all property owned by, or upon which such association has a mortgage loan or judgment. The appraisers so appointed shall make an appraisal and fix the value of all such property as aforesaid and report their findings to the commissioner and directors. The value as found by such appraisers shall be the value which shall be carried upon the books of the association; all losses shall be determined from such value.

(4) Whenever the commissioner shall find that the losses sustained or which may reasonably be sustained within the next year are more than two-thirds of the amount in the contingent fund, he may issue an order to such association, which order shall provide that no further dividends be credited or paid and no moneys

be paid out for retiring shares, whether noticed for withdrawal or whether the same shall have matured, until the commissioner shall otherwise order.

(5) The directors may make stock loans to members while such order is in effect but such stock loan shall be for provident purposes only and shall not exceed fifty per cent of the book value of such member's shares. Not more than one hundred dollars shall be loaned to any one member in any one month.

(6) Any borrowing member, with the approval of the board of directors and the commissioner, may pay to the association the difference between the withdrawal value of his pledged shares and the amount due upon his mortgage loan, and his mortgage and other securities shall thereupon be released.

(7) Nothing contained in this section shall prohibit the commissioner from proceeding against any association under section 215.33.

215.36 (1) Any association organized or doing business under the provisions of this chapter may go into liquidation or may dissolve such association by a two-thirds vote of all its outstanding authorized capital stock at a stockholders' meeting held especially for that purpose after notice to each stockholder of not less than thirty days. Whenever an association has so voted to go into liquidation or to dissolve, it shall be the duty of the board of directors to cause notice of this fact to be certified, under the seal of the association by its president and secretary, to the commissioner of banking, and to cause notice thereof to be published once each week for eight successive weeks in a newspaper published in the village, city or county in which the association is located, and if no newspaper is there published, then in a newspaper published at the nearest county seat, calling on all persons who may have claims against such association to present their claims to the association and make legal proof thereof at a place and within a time, not earlier than the last date of publication, to be therein specified, and to mail a similar notice to all persons whose names appear as creditors on the books of the association.

(2) Whenever on and after September 1, 1931, an association voluntarily liquidates, the withdrawal value of shares pledged upon a mortgage loan shall be applied and credited to such mortgage loan at once and the borrower shall be liable only for the balance of such loans. The rate of interest charged upon such balance shall be the legal rate as provided for by law.

(3) Any association so liquidating shall sell, transfer, assign or otherwise dispose of all of its mortgage securities or other property within ten years from the date of liquidation or dissolution unless the commissioner shall otherwise order. The board of directors shall remain a body corporate until the association is fully liquidated.

SECTION 4. If any provision of this act, or the application thereof to any person or circumstance, is held invalid, the remainder of this act and the application of such provision to other persons or circumstances shall not be affected thereby.

SECTION 5. This act shall take effect upon passage and publication.

Approved January 30, 1932.

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## CHAPTER 24.

AN ACT relating to the foreclosure of mortgages.

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

SECTION 1. In any action commenced prior to January 1, 1934, in which judgment of foreclosure and sale has not been entered at the time this act takes effect, the one-year period specified in section 278.10 and in section 297.11 of the statutes shall be extended an additional year but in no event beyond January 1, 1935, provided the person entitled to redeem the mortgage premises shall before the expiration of such one-year period present to the court satisfactory evidence that he has paid all insurance premiums as provided in the mortgage and all taxes on the mortgaged property accruing within such one-year period after such judgment, and shall also pay on or before the expiration of such one-year period, one year's interest on the principal sum of the mortgage.

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

Approved January 30, 1932.