
Wisconsin Legislative Council

ACT MEMO



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2019 Wisconsin Act 65 [2019 Senate Bill 457]

Regulation of Financial Institutions

2019 Wisconsin Act 65 makes a number of changes to current statutes regarding financial institutions and their regulation. In summary, the act:

- Reduces the period for the payment procedure for lost, destroyed, or stolen checks from 90 days to 30 days.
- Permits an applicant for a mortgage loan originator license who meets certain specified requirements to temporarily act as a mortgage loan originator while the application is pending. This is in accordance with federal law.
- Specifies that a financial institution is liable for the surrender of garnishment or tax levy property as of the time the financial institution is first reasonably able to put the garnishment into effect, but no later than the end of the second business day after the business day on which the order is received by the financial institution.
- Clarifies that, relative to the garnishment provision above, a financial institution is not liable to the creditor for any property that leaves its possession during the two-day time frame before the garnishment is put into effect and that the financial institution bears no responsibility to secure the return of such property.
- Provides that a financial institution that transfers data to an independent data processing servicer retains the legal rights to the data transferred and requires an independent data processor to disclose all fees and charges and grounds for termination in separate contract provisions with a financial institution.
- Eliminates the 20-year term and asset limitation requirements for state banks that borrow from a federal home loan bank.
- Consolidates the current Banking Review Board and Savings Institutions Review Board and renames the combined board the Banking Institutions Review Board.

Effective date: Generally, November 27, 2019.¹

DWS:mca;ksm

¹ The provision regarding the Banking Institutions Review Board will take effect on May 2, 2021. The provision regarding mortgage loan originators took effect on November 28, 2019. The provision regarding independent data processing servicers will take effect on March 1, 2020.