



## 1995 SENATE BILL 351

September 26, 1995 – Introduced by Senators ZIEN, C. POTTER, ROSENZWEIG, RUDE, JAUCH, ANDREA, BURKE, CHVALA, CLAUSING, COWLES, DRZEWIECKI, GEORGE, MOEN and RISSER, cosponsored by Representatives OURADA, GROBSCHMIDT, OTTE, BALDUS, CARPENTER, LA FAVE, ZIEGELBAUER, AINSWORTH, BALDWIN, BAUMGART, BELL, BOCK, BOYLE, GOETSCH, HANSON, GRONEMUS, HASENOHRL, HUBER, JOHNSRUD, KREIBICH, KREUSER, LEHMAN, MUSSER, NOTESTEIN, PLOMBON, RYBA, SPRINGER, VANDER LOOP, WILDER, WIRCH and WOOD. Referred to Committee on Education and Financial Institutions.

1     **AN ACT to repeal** 186.01 (4), 186.01 (7), 186.01 (8), 186.012 (3), 186.015 (3) (e),  
2     186.02 (2) (a) 3. and 4., 186.02 (2) (a) 10., 186.08 (1) (e), 186.08 (2), 186.098 (6)  
3     (a) 1. to 6., 186.098 (9), 186.113 (1m), 186.113 (6) (intro.), 186.119, 186.17 (3),  
4     186.235 (1m), 186.24, 186.26 (title), 186.26 (2), 186.29 (1) (d) and (f), 186.29 (1p)  
5     (a) (title), 186.29 (1p) (b) (title), 186.30, 186.34 (2) and (3), 186.35 (11), 186.38  
6     and 186.41 (1) (b); **to renumber** 186.012 (4), 186.27 (title), 186.29 (title), 186.29  
7     (1p) (title) and 186.29 (9); **to renumber and amend** 186.012 (title), 186.012  
8     (1), 186.012 (2), 186.015 (2), 186.015 (3) (a), 186.015 (3) (b), 186.015 (3) (c),  
9     186.015 (3) (d), 186.015 (3) (f), 186.04, 186.08 (1) (intro.), 186.08 (1) (a) to (d),  
10    186.08 (1) (f), 186.098 (6) (a) (intro.), 186.11 (1), 186.113 (14), 186.23, 186.25,  
11    186.26 (1), 186.27 (intro.), (1) and (2), 186.27 (3), 186.28, 186.29 (1) (intro.), (a)  
12    to (c), (e) and (g) to (k), 186.29 (1m), 186.29 (1p) (a), 186.29 (1p) (b), 186.29 (2)  
13    (intro.) and (a), 186.29 (2) (b), 186.29 (2) (c), 186.29 (2) (d), 186.29 (3), 186.29 (4),  
14    186.29 (5), 186.29 (6), 186.29 (7), 186.29 (8), 186.29 (10), 186.29 (11) (intro.) and  
15    (a) to (d), 186.29 (12), 186.29 (13), 186.33 and 186.37; **to amend** 186.01 (2),  
16    186.01 (3), 186.01 (3m), 186.01 (5), 186.015 (1), 186.015 (2) (a) and (b), 186.015  
17    (2) (c), 186.015 (3), 186.015 (4) (b), 186.015 (5), 186.02 (1), 186.02 (2) (a) 1.,

1 186.02 (2) (a) 2., 186.02 (2) (a) 7., 186.02 (2) (a) 8., 186.02 (2) (a) 9., 186.02 (2)  
2 (b) 2., 186.02 (2) (b) 3., 186.02 (2) (c), 186.02 (2) (d), 186.02 (2) (em), 186.02 (2)  
3 (f), 186.02 (3) (a), 186.02 (3) (b), 186.02 (4) (a), 186.02 (4) (b), 186.03 (3), 186.06  
4 (4), 186.08 (3), 186.095 (1), 186.096 (2) (a), 186.098 (1), 186.098 (2), 186.098 (3),  
5 186.098 (4), 186.098 (5), 186.098 (8) (b), 186.098 (9m), 186.098 (10), 186.10 (2),  
6 186.11 (2) (b), 186.11 (4) (a), 186.11 (4) (b) (intro.), 1., 3. and 4., 186.112, 186.113  
7 (title), 186.113 (1), 186.113 (1s), 186.113 (5), 186.113 (6) (a) and (b), 186.113 (8),  
8 186.113 (9), 186.113 (11), 186.113 (12), 186.113 (13), 186.113 (17), 186.113 (18),  
9 186.113 (19), 186.113 (20), 186.113 (21), 186.113 (22), 186.115 (2), 186.117 (1),  
10 186.13, 186.14, 186.15 (2) and (3), 186.16 (2), 186.17 (2), 186.18, 186.21 (1),  
11 186.21 (2), 186.21 (3), 186.21 (4), 186.22 (11), 186.235 (1), 186.235 (3), 186.235  
12 (3m), 186.235 (4), 186.235 (5), 186.235 (7) (a) (intro.), 186.235 (7) (b), 186.235  
13 (9), 186.235 (10) (a) (intro.), 186.235 (10) (a) 2., 186.235 (10) (b), 186.235 (10) (c),  
14 186.235 (10) (d), 186.235 (12), 186.235 (13), 186.235 (14) (a), (b) and (e), 186.235  
15 (15) (a), 186.235 (16), 186.235 (17), 186.235 (18), 186.235 (19), 186.235 (20),  
16 186.31, 186.31 (2m), 186.314, 186.315, 186.32, 186.34 (1), 186.34 (4), 186.35 (8),  
17 186.35 (10) (c), 186.35 (12) (a), 186.35 (12m) (intro.), 186.35 (14), 186.36, 186.41  
18 (5m), 186.42 (1) (intro.) and (3), 186.60, 217.04 (2) and 227.24 (1) (b) and (d); **to**  
19 **repeal and recreate** 186.01 (6), 186.015 (1), 186.02 (1), 186.02 (3) (a), 186.02  
20 (3) (b), 186.02 (4) (a), 186.02 (4) (b), 186.03, 186.06 (title), (1) and (2), 186.06 (3),  
21 186.07 (title), (1) and (2), 186.098 (6) (b), 186.098 (7), 186.098 (8) (b), 186.098  
22 (10), 186.11 (1) (e), 186.11 (2) (b), 186.112, 186.113 (1), 186.113 (2), 186.113 (2),  
23 186.113 (16), 186.115 (2), 186.15, 186.16 (2), 186.17 (1), 186.17 (2), 186.18,  
24 186.19, 186.21 (1), 186.21 (2), 186.21 (3), 186.21 (4), 186.22 (11), 186.235 (title),  
25 186.235 (2), 186.235 (8), 186.235 (11), 186.31 (1), 186.31 (2), 186.314 (2), (3) and

1 (4), 186.315, 186.34 (4) and 186.35 (8); **to create** 186.01 (3c), 186.01 (3g), 186.01  
2 (4m), 186.01 (7m), 186.015 (2) (c), 186.015 (3g), 186.015 (3r), 186.015 (6) (title),  
3 186.02 (2) (title), 186.02 (2) (a) 5d., 186.02 (2) (a) 5h., 186.02 (2) (a) 5k., 186.02  
4 (2) (a) 5p., 186.02 (2) (a) 5t., 186.02 (2) (a) 11m., 186.02 (3) (title), 186.02 (4)  
5 (title), 186.02 (4) (c), 186.06 (1m), 186.06 (2m), 186.07 (1m), 186.07 (3) (title),  
6 186.07 (4) to (7), 186.071, 186.08 (1m) (f), 186.08 (1m) (g), 186.083 (1) (title), (2)  
7 (title), (3) (title) and (4) (title), 186.086 (1) (title), 186.086 (2) (title), 186.087 (1)  
8 (title), (2) (title) and (3) (title), 186.088 (1) (title) and (2) (title), 186.096 (1) (title),  
9 186.096 (2) (title), 186.096 (3) (title), 186.098 (6) (c), 186.098 (8) (title), 186.098  
10 (9m), 186.098 (11) (title), 186.098 (12) (title), 186.098 (13), 186.10 (1) (title),  
11 186.11 (4) (c), 186.113 (1e), 186.113 (1s), 186.113 (3) (title), 186.113 (4) (title),  
12 186.113 (6) (title), 186.113 (6) (c), 186.113 (7) (title), 186.113 (10) (title), 186.113  
13 (14) (title), 186.113 (14) (b), 186.113 (14m), 186.113 (15) (title), 186.113 (23),  
14 186.115 (1) (title), 186.115 (3) (title), 186.117 (2) (title), 186.118 (1) (title), (2)  
15 (title), (3) (title) and (4) (title), 186.12 (1) (title), (2) (title) and (3) (title), 186.16  
16 (1) (title), 186.235 (1), 186.235 (3), 186.235 (3m), 186.235 (4), 186.235 (9),  
17 186.235 (10), 186.235 (11) (m) 3., 186.235 (12), 186.235 (13), 186.235 (15),  
18 186.235 (17), 186.235 (20), 186.235 (21) (title), 186.31 (2m), 186.325, 186.34 (5)  
19 (title), 186.35 (14), 186.41 (2) (a) 3., 186.42 and 186.60 of the statutes; and **to**  
20 **affect** 1995 Wisconsin Act 27, section 4878, 1995 Wisconsin Act 27, sections  
21 4881 to 4884, 1995 Wisconsin Act 27, sections 4890 to 4894, 1995 Wisconsin Act  
22 27, section 4898, 1995 Wisconsin Act 27, sections 4902 and 4903, 1995  
23 Wisconsin Act 27, sections 4915 to 4920, 1995 Wisconsin Act 27, sections 4937  
24 to 4988, 1995 Wisconsin Act 27, sections 4995 to 4998, 1995 Wisconsin Act 27,  
25 sections 5009 to 5017 and 1995 Wisconsin Act 27, section 9459 (7); **relating to:**

- 1 credit union operation and authority, reorganizing the credit union chapter,  
2 granting rule-making authority and providing a penalty.
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### ***Analysis by the Legislative Reference Bureau***

This bill makes numerous changes that revise and reorganize the chapter that governs the formation, operation and regulation of credit unions in this state. These changes include the following:

#### ***Definitions***

The bill revises the definition of “credit union” to specify that a credit union provides other financial services in addition to credit.

Definitions of the terms “federal share insurance”, “national board” and “risk assets” are created or revised to be consistent with current federal law.

The bill revises the definition of “deposit account” and creates a definition of “share deposit”.

#### ***Office of the commissioner of credit unions***

The bill consolidates the major responsibilities of the office of the commissioner of credit unions (office) into one statutory section and explicitly states that credit unions are under the supervision of the commissioner of credit unions (commissioner). Under 1995 Wisconsin Act 27, the office of the commissioner is made an attached division of a newly created division of financial institutions, effective July 1, 1996. Consistent with that act, all references created in the bill to the commissioner or to the office of the commissioner are changed, effective July 1, 1996, to the office of credit unions.

Current law directs the commissioner to “promote the extension of credit at the lowest possible rate”. The bill deletes that promotional directive.

The bill specifies that the commissioner and deputy commissioner are to devote full time to their duties. After July 1, 1996, this provision is amended to refer to the administrator of the office of credit unions; references to the deputy commissioner are repealed. The bill also requires all employees of the office to be bonded. It also revises the authority of the commissioner to remove an officer or employe of a credit union from his or her position, explicitly gives the commissioner subpoena power to take testimony of witnesses and requires the commissioner to generally act on applications made to the office within 90 days.

Credit unions are required, under the bill, to pay for examinations conducted by the office on the day on which the examination is completed. Current law requires payment within 30 days after the credit union is billed for the examination.

Language that requires the office to conduct annual examinations is revised. The bill deletes a provision that allows 5 or more members of a credit union to ask the office to conduct a special examination and adds language permitting the office to substitute an examination conducted for the federal share (deposit) insurance fund for the office’s own examination.

***Credit union review board***

The bill expands the authority of the credit union review board (review board) to conduct hearings, revises the procedures to be used for hearings and expands the time a party may appeal a decision of the commissioner to the review board from 30 days to 60 days. The bill specifies that the review board will uphold the decision of the commissioner if the decision is not arbitrary and capricious and is supported by the evidence. The bill requires the review board to dispose of review applications within 60 days of receipt.

The bill eliminates the authority of the review board to promulgate rules affecting credit union depositors or shareholders, leaving that authority to the commissioner, but permits the review board to promulgate rules concerning its procedure.

***Credit union organization***

The bill expands the information required to be included in the bylaws. Under the bill, a credit union's bylaws must include terms that describe the responsibilities and qualifications of directors, director nomination and election procedures, bond requirements for directors, meeting notice requirements and director removal procedures.

The bill permits a credit union to move its principal office within a 20-mile radius of its present location without obtaining the approval of its membership.

Under current law, upon the unanimous recommendation of the board of directors, the members may vote to dissolve the credit union. Under the bill, only the recommendation of two-thirds of the directors is required. Under current law, a credit union may vote to dissolve itself if the total number of members voting on the issue exceeds 50% of the total number of members eligible to vote and other conditions are satisfied. The bill reduces the total number of members needed for a valid dissolution vote to 25%.

***Credit union membership***

The bill modifies the requirements for eligibility for membership in a credit union. In addition to groups having a common bond of occupation or association, current law permits residents of well-defined neighborhoods, communities or rural districts, or employes of vicinal industries, to be eligible to join a credit union. Under the bill, individuals residing or employed in neighborhoods, communities, rural districts or multicounty regions, or employes of related industries, are eligible to join a credit union, in addition to groups having a common bond.

The bill permits a credit union to determine under its bylaws who is eligible for membership as a family member of a member. The bill also permits a credit union to expand its field of membership to states that border this state.

Under the bill, if a credit union expels a member for cause, a member has 90 days in which to appeal the expulsion. Current law does not specify a time for appeals.

Provisions regarding annual and special membership meetings are revised under the bill. The bill deletes certain specific provisions relating to the manner of calling meetings and permits a credit union to hold such meetings in any manner

provided in the bylaws. Additionally, the types of issues that members may decide at a meeting are narrowed under the bill.

### ***Board of directors and officers***

The bill specifically gives the board of directors the general oversight responsibility and final decision-making authority for a credit union.

The bill directs the board to appoint a president of the credit union and any necessary committee. Currently, the board is directed to appoint credit committees, loan officers and other officers. Under the bill, most appointment authority is given to the president of the credit union.

Eligibility for, and election to, a board of directors of a credit union is to be determined under the bylaws in the bill. The bill creates specific criteria for removing a director from the board and creates an appeal mechanism for a director removed for cause from a board.

Under the bill, directors, officers and employees are required to take an oath of office. By taking an oath, credit union personnel agree to keep member information confidential and to avoid acting in matters in which they may have a pecuniary interest.

Current provisions relating to the bonding of credit union officers are eliminated under the bill and replaced with a requirement that a credit union maintain bonds for officers that satisfy standards set by the national board that administers the federal share (deposit) insurance fund for credit unions.

### ***Loans to members and borrowing by credit unions***

Current law specifies the value of collateral that may be used to secure a loan. The bill eliminates this restriction on collateral levels and authorizes the board of directors to set policies regarding acceptable collateral.

The bill expands the appeal rights of a person who has had a loan application turned down and requires a loan appeal to be in writing. The appeal may be made to the credit union's president and the president's decision may be appealed to the board of directors.

Under the bill, a credit union may engage in open-end, or credit card type, lending without the approval of the commissioner as is presently required. Credit unions may also participate in loans with other lenders if the loan is of the type that a credit union could make individually, subject to rules promulgated by the commissioner.

The bill permits a credit union to have a lien against the deposit accounts of a member and the right of setoff against those accounts to secure payment of loans made to the member.

Current law permits a credit union to borrow money if the amount borrowed does not exceed 50% of the credit union's total deposits and reserves and if the loan is for less than 12 months. The bill revises this provision by reducing the borrowing limit to 30% of total deposits and reserves and by eliminating the 12-month term requirement. The new 30% limit may be exceeded with commissioner approval.

### ***Credit union powers***

The bill specifies that a credit union may, with the commissioner's approval, establish branch offices inside or outside of this state. Currently, only in-state

branch offices are referred to in the branch authorization provision. The bill also permits a credit union to establish service centers (offices at which some member services may be obtained but at which permanent records are not kept) upon notice to the commissioner.

The bill expands the authority of a credit union to offer safe deposit boxes, to provide debit cards, to make government-guaranteed loans and to make donations. The bill also expands a credit union's authority to sell and purchase assets and to dispose of dormant accounts.

Under present law, a credit union may offer products or services that other financial institutions offer if the commissioner finds the product or service to be financially related. The bill retains this authority but eliminates redundant provisions on this subject.

***Reserve requirements and financial information***

The present formula for establishing adequate reserve levels is eliminated in the bill and replaced by a requirement that a credit union set aside reserves at a level set by the national board that administers the federal share (deposit) insurance fund for credit unions.

The bill expands current provisions relating to annual audits of a credit union. The bill permits a board of directors to appoint an audit committee and permits the commissioner to order an independent audit of a credit union if the commissioner finds an annual audit to be unsatisfactory. In addition, the bill updates the provisions that require a credit union to file financial information annually with the commissioner.

***Mergers***

The bill revises the procedures for the merger of credit unions and deletes the use of the term "consolidation" in referring to mergers. The bill authorizes the commissioner to permit emergency mergers if one of the merging credit unions is insolvent or in danger of causing a loss to the federal share (deposit) insurance fund, without the affirmative vote of the membership of the merging credit union.

***Other***

The bill eliminates obsolete references to the American share deposit insurance corporation, repeals account disclosure provisions, eliminates gender-specific references and adds subsection titles throughout the credit union chapter.

For further information see the ***state*** fiscal estimate, which will be printed as an appendix to this bill.

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

- 1           **SECTION 1.** 186.01 (2) of the statutes is amended to read:
- 2           186.01 (2) "Credit union" means a cooperative, nonprofit corporation,
- 3           incorporated under this chapter to encourage thrift among its members, create a

1 source of credit and other financial services at a fair and reasonable rate of interest  
2 cost and provide an opportunity for its members to improve their economic and social  
3 conditions.

4 **SECTION 2.** 186.01 (3) of the statutes is amended to read:

5 186.01 (3) "Deposit account" means an account ~~limited to members and treated~~  
6 as a any form of savings. ~~Deposit accounts are subject to conditions established by~~  
7 ~~the board of directors.~~

8 **SECTION 3.** 186.01 (3c) of the statutes is created to read:

9 186.01 (3c) "Federal share insurance" means the national credit union share  
10 insurance fund under 12 USC 1783.

11 **SECTION 4.** 186.01 (3g) of the statutes is created to read:

12 186.01 (3g) "Fixed assets" has the meaning given in 12 CFR 701.36 (b).

13 **SECTION 5.** 186.01 (3m) of the statutes is amended to read:

14 186.01 (3m) "National board" means the national credit union administration  
15 board of the national credit union administration established under 12 USC 1752 or  
16 the managing body of any successor that is authorized to provide federal share  
17 insurance for ~~state-chartered~~ credit unions.

18 **SECTION 6.** 186.01 (4) of the statutes is repealed.

19 **SECTION 7.** 186.01 (4m) of the statutes is created to read:

20 186.01 (4m) "Public depositor" means a governmental body, as defined in s.  
21 895.52 (1) (a), that deposits money in a public depository.

22 **SECTION 8.** 186.01 (5) of the statutes is amended to read:

23 186.01 (5) "Regular reserve" means ~~the~~ an irrevocable reserve set aside to cover  
24 losses.

25 **SECTION 9.** 186.01 (6) of the statutes is repealed and recreated to read:



1           186.01 (6) "Risk assets" has the meaning given in 12 CFR 700.1 (i).

2           **SECTION 10.** 186.01 (7) of the statutes is repealed.

3           **SECTION 11.** 186.01 (7m) of the statutes is created to read:

4           186.01 (7m) "Share deposit" means a balance that is established and  
5 maintained by a person at a credit union that confers membership rights to that  
6 person.

7           **SECTION 12.** 186.01 (8) of the statutes is repealed.

8           **SECTION 13.** 186.012 (title) of the statutes is renumbered 186.235 (title) and  
9 amended to read:

10           **186.235 (title) Commissioner Office of the commissioner of credit**  
11 **unions.**

12           **SECTION 14.** 186.012 (1) of the statutes is renumbered 186.235 (1m) and  
13 amended to read:

14           186.235 (1m) (title) DEPUTY COMMISSIONER. The commissioner shall appoint a  
15 deputy commissioner subject to s. 15.04 (2) and (3) ~~who.~~ The deputy commissioner  
16 shall possess all powers and perform the duties attached to the office of the  
17 commissioner during a vacancy thereof and during the absence or inability of the  
18 commissioner to serve. No person may be appointed deputy commissioner who has  
19 not had at least one year of actual experience either in the operation of a credit union,  
20 or serving in a credit union supervisory capacity, or a combination of both. The  
21 commissioner may also employ such examiners and clerks to assist ~~him or her and~~  
22 ~~the deputy~~ in the discharge of the several duties ~~imposed upon~~ of the commissioner  
23 ~~by under~~ this chapter as he or she finds necessary, ~~and who shall perform such other~~  
24 ~~duties as the commissioner directs.~~

1           **SECTION 15.** 186.012 (2) of the statutes is renumbered 186.235 (2) and amended  
2 to read:

3           186.235 (2) (title) ENFORCEMENT. The commissioner of ~~credit unions~~ shall  
4 enforce ~~the laws of this chapter~~ and other laws relating to credit unions.

5           **SECTION 16.** 186.012 (3) of the statutes is repealed.

6           **SECTION 17.** 186.012 (4) of the statutes is renumbered 186.235 (21).

7           **SECTION 18.** 186.015 (1) of the statutes is amended to read:

8           186.015 (1) (title) CONFER WITH COMMISSIONER. The commissioner shall confer  
9 with the credit union review board on matters affecting credit unions and the  
10 ~~commissioner's office of the commissioner~~. Detailed minutes of each review board  
11 meeting shall be kept, and the decision of the review board with reference to all  
12 orders issued, or policies established by the commissioner pursuant to this chapter  
13 is final, except for judicial review as provided in ch. 227.

14           **SECTION 19.** 186.015 (1) of the statutes, as affected by 1995 Wisconsin Acts 27  
15 and ... (this act), is repealed and recreated to read:

16           186.015 (1) CONFER WITH OFFICE. The office of credit unions shall confer with  
17 the credit union review board on matters affecting credit unions and the office.  
18 Detailed minutes of each review board meeting shall be kept, and the decision of the  
19 review board with reference to all orders issued, or policies established by the office  
20 of credit unions pursuant to this chapter is final, except for judicial review as  
21 provided in ch. 227.

22           **SECTION 20.** 186.015 (2) of the statutes is renumbered 186.015 (2) (intro.) and  
23 amended to read:

24           186.015 (2) (title) DUTIES. (intro.) The review board shall advise do all of the  
25 following:

1           (a) Advise the commissioner, the deputy commissioner and others in improving  
2 the condition and service of credit unions. ~~In addition, the board shall review~~

3           (b) Review the acts and decisions of the commissioner in relation to credit  
4 ~~unions and shall serve~~ and conduct reviews under sub. (5).

5           (d) Serve as an appeal board for credit unions with the same procedure and  
6 ~~powers as the banking review board has under ch. 220 and perform.~~

7           (e) Perform other credit union review functions in relation to credit unions as  
8 ~~provided by law. The board may issue subpoenas or rule.~~

9           (f) Conduct hearings, take testimony, issue subpoenas and administer oaths to  
10 ~~witnesses.~~

11           **SECTION 21.** 186.015 (2) (a) and (b) of the statutes, as affected by 1995  
12 Wisconsin Act .... (this act), are amended to read:

13           186.015 (2) (a) Advise the ~~commissioner, the deputy commissioner~~ office of  
14 credit unions and others in improving the condition and service of credit unions.

15           (b) Review the acts and decisions of the ~~commissioner~~ office of credit unions and  
16 conduct reviews under sub. (5).

17           **SECTION 22.** 186.015 (2) (c) of the statutes is created to read:

18           186.015 (2) (c) Respond promptly on credit union matters and to questions  
19 submitted to the review board by the commissioner or by a credit union.

20           **SECTION 23.** 186.015 (2) (c) of the statutes, as created by 1995 Wisconsin Act  
21 .... (this act), is amended to read:

22           186.015 (2) (c) Respond promptly on credit union matters and to questions  
23 submitted to the review board by the ~~commissioner~~ office of credit unions or by a  
24 credit union.

1           **SECTION 24.** 186.015 (3) (a) of the statutes is renumbered 186.015 (3) and  
2 amended to read:

3           186.015 (3) (title) APPROVAL OF ACTIONS. The review board may require the  
4 commissioner to submit any of the commissioner's official actions to the review board  
5 for its approval. ~~The board may make rules of procedure as provided in ch. 227.~~

6           **SECTION 25.** 186.015 (3) of the statutes, as affected by 1995 Wisconsin Act ...  
7 (this act), is amended to read:

8           186.015 (3) APPROVAL OF ACTIONS. The review board may require the  
9 commissioner office of credit unions to submit any of the commissioner's office's  
10 official actions to the review board for its approval.

11           **SECTION 26.** 186.015 (3) (b) of the statutes is renumbered 186.015 (5) and  
12 amended to read:

13           186.015 (5) (title) REVIEWS. Any interested person aggrieved by any act, order  
14 or determination of the commissioner that relates to credit unions may, within 60  
15 days after the date of the act, order or determination, apply for review thereof by  
16 ~~filing a petition with the secretary of the board within 30 days after the act, order or~~  
17 ~~determination to be reviewed. The petition shall state the nature of the petitioner's~~  
18 ~~interest, facts showing that the petitioner is aggrieved and directly affected by the~~  
19 ~~act, order or determination to be reviewed and the ground or grounds upon which the~~  
20 ~~petitioner claims that the act, order or determination should be modified or reversed.~~  
21 ~~The issues raised by the petition for review shall be considered by the board upon~~  
22 ~~giving at least 10 days' written notice of the time and place when said matter will be~~  
23 ~~heard to the commissioner and the person applying for review or the applying~~  
24 ~~person's attorney and upon any other person who participated in the proceedings~~  
25 ~~before the commissioner or that other person's attorney. Notice of hearing may be~~

1 given by registered mail, return receipt requested, and the return receipt signed by  
2 the addressee or the addressee's agent shall be presumptive evidence that such  
3 notice was received by the addressee on the day stated on the receipt. Any other  
4 interested party shall have the right to appear in any proceeding before by the review  
5 board. The review board shall determine if the commissioner acted within the scope  
6 of the commissioner's authority, has not acted in an arbitrary or capricious manner  
7 and has based the act, order or determination on evidence supported by the record.  
8 The review board shall dispose of a review application within 60 days after the date  
9 on which it is received.

10 **SECTION 27.** 186.015 (3) (c) of the statutes is renumbered 186.015 (4) and  
11 amended to read:

12 186.015 (4) (title) WITNESS FEES. ~~The board shall base its determination upon~~  
13 ~~the record made by the commissioner and may also receive additional evidence to~~  
14 ~~supplement such record if it finds it necessary. The board shall affirm, modify or~~  
15 ~~reverse the act, order or determination under review. The burden of overcoming the~~  
16 ~~act, order or determination of the commissioner under review shall be on the person~~  
17 ~~seeking the review. Any findings of fact made by the commissioner shall be sustained~~  
18 ~~if supported by substantial evidence in the record made by the commissioner or in~~  
19 ~~such record supplemented by evidence taken by the board. The board shall have the~~  
20 ~~powers granted by s. 885.01 (4).~~ (a) Any person causing a witness to be subpoenaed  
21 shall advance and pay the fees and mileage of such the witness, which shall be the  
22 same as in circuit court.

23 (b) The fees and mileage of witnesses who are called at the instance of the  
24 commissioner review board shall be paid by the state in the same manner that other  
25 expenses are audited and paid, upon presentation of properly verified proper

1 vouchers approved by at least one member of the review board and charged to the  
2 appropriation of the office of the commissioner.

3 **SECTION 28.** 186.015 (3) (d) of the statutes is renumbered 186.015 (6) (a) and  
4 amended to read:

5 186.015 (6) (a) Three members of the review board shall constitute a quorum  
6 and a majority vote of those present shall decide. No A member of such the review  
7 board ~~shall be~~ is not qualified to act in any matter involving a credit union in which  
8 the member is an officer, director or stockholder, or to which the member is indebted.

9 **SECTION 29.** 186.015 (3) (e) of the statutes is repealed.

10 **SECTION 30.** 186.015 (3) (f) of the statutes is renumbered 186.015 (6) (b) and  
11 amended to read:

12 186.015 (6) (b) Any final order or determination of the review board shall be  
13 subject to review in the manner provided in ch. 227.

14 **SECTION 31.** 186.015 (3g) of the statutes is created to read:

15 186.015 (3g) PROCEDURE. The review board may promulgate rules of procedure  
16 under ch. 227.

17 **SECTION 32.** 186.015 (3r) of the statutes is created to read:

18 186.015 (3r) HEARING APPEARANCES, SUBPOENAS. (a) Any interested person may  
19 appear at a hearing of the review board, participate in the examination of witnesses  
20 and present evidence.

21 (b) The review board shall have the subpoena powers under s. 885.01 (4).

22 **SECTION 33.** 186.015 (4) (b) of the statutes, as affected by 1995 Wisconsin Act  
23 .... (this act), is amended to read:

24 186.015 (4) (b) The fees and mileage of witnesses who are called at the instance  
25 of the review board shall be paid by the state in the same manner that other expenses

1 are paid, upon presentation of proper vouchers approved by at least one member of  
2 the review board and charged to the appropriation of the office of the commissioner  
3 credit unions.

4 **SECTION 34.** 186.015 (5) of the statutes, as affected by 1995 Wisconsin Act ...  
5 (this act), is amended to read:

6 186.015 (5) REVIEWS. Any interested person aggrieved by any act, order or  
7 determination of the ~~commissioner~~ office of credit unions that relates to credit unions  
8 may, within 60 days after the date of the act, order or determination, apply for review  
9 by the review board. The review board shall determine if the ~~commissioner~~ office of  
10 credit unions acted within the scope of the ~~commissioner's~~ office's authority, has not  
11 acted in an arbitrary or capricious manner and has based the act, order or  
12 determination on evidence supported by the record. The review board shall dispose  
13 of a review application within 60 days after the date on which it is received.

14 **SECTION 35.** 186.015 (6) (title) of the statutes is created to read:

15 186.015 (6) (title) DECISIONS.

16 **SECTION 36.** 186.02 (1) of the statutes is amended to read:

17 186.02 (1) (title) INCORPORATION. Seven or more residents of this state may  
18 organize a credit union by filing with the commissioner the proposed articles of  
19 incorporation in duplicate and a ~~verified copy of the proposed original~~ bylaws,  
20 together with a \$5 \$100 filing fee. The articles of incorporation shall state the name  
21 and purpose of the credit union, the ~~location of~~ county in which its initial principal  
22 office, the ~~par value of its shares,~~ is located and the names, ~~residences and~~  
23 ~~occupations~~ addresses of the incorporators.

24 **SECTION 37.** 186.02 (1) of the statutes, as affected by 1995 Wisconsin Acts 27  
25 and ... (this act), is repealed and recreated to read:

1           186.02 (1) INCORPORATION. Seven or more residents of this state may organize  
2 a credit union by filing with the office of credit unions the proposed articles of  
3 incorporation in duplicate and the proposed bylaws, together with a \$100 filing fee.  
4 The articles of incorporation shall state the name and purpose of the credit union,  
5 the county in which its initial principal office is located and the names and addresses  
6 of the incorporators.

7           **SECTION 38.** 186.02 (2) (title) of the statutes is created to read:

8           186.02 (2) (title) BYLAWS.

9           **SECTION 39.** 186.02 (2) (a) 1. of the statutes is amended to read:

10           186.02 (2) (a) 1. The conditions of ~~residence or occupation~~ which qualify persons  
11 determine eligibility for membership.

12           **SECTION 40.** 186.02 (2) (a) 2. of the statutes is amended to read:

13           186.02 (2) (a) 2. The par value of ~~the shares of~~ capital stock not exceeding \$25  
14 \$50 per share.

15           **SECTION 41.** 186.02 (2) (a) 3. and 4. of the statutes are repealed.

16           **SECTION 42.** 186.02 (2) (a) 5d. of the statutes is created to read:

17           186.02 (2) (a) 5d. The responsibilities and qualifications of the directors.

18           **SECTION 43.** 186.02 (2) (a) 5h. of the statutes is created to read:

19           186.02 (2) (a) 5h. The nomination and election procedures for directors.

20           **SECTION 44.** 186.02 (2) (a) 5k. of the statutes is created to read:

21           186.02 (2) (a) 5k. The type and amount of a bond required to be maintained on  
22 behalf of a director.

23           **SECTION 45.** 186.02 (2) (a) 5p. of the statutes is created to read:

24           186.02 (2) (a) 5p. Meeting notification procedures.

25           **SECTION 46.** 186.02 (2) (a) 5t. of the statutes is created to read:



1 186.02 (2) (a) 5t. Procedures for removing directors from the board of directors.

2 **SECTION 47.** 186.02 (2) (a) 7. of the statutes is amended to read:

3 186.02 (2) (a) 7. The ~~time~~ date of the annual membership meeting ~~of members,~~  
4 to be held ~~on or~~ before ~~June 30~~ July 1.

5 **SECTION 48.** 186.02 (2) (a) 8. of the statutes is amended to read:

6 186.02 (2) (a) 8. The manner by which members ~~and directors~~ are notified of  
7 annual and special meetings.

8 **SECTION 49.** 186.02 (2) (a) 9. of the statutes is amended to read:

9 186.02 (2) (a) 9. The number of members ~~and directors~~ constituting a quorum  
10 at an annual or special meeting.

11 **SECTION 50.** 186.02 (2) (a) 10. of the statutes is repealed.

12 **SECTION 51.** 186.02 (2) (a) 11m. of the statutes is created to read:

13 186.02 (2) (a) 11m. The terms required under s. 186.06 (2m).

14 **SECTION 52.** 186.02 (2) (b) 2. of the statutes is amended to read:

15 186.02 (2) (b) 2. ~~Residents~~ Individuals residing or employed within a  
16 ~~well-defined neighborhood, community or~~ neighborhoods, communities, rural  
17 ~~district~~ districts or multicounty regions.

18 **SECTION 53.** 186.02 (2) (b) 3. of the statutes is amended to read:

19 186.02 (2) (b) 3. ~~Employes of related or vicinal industries~~ or industries that  
20 include employers which operate one or more facilities within a neighborhood or  
21 urban, suburban or rural community whose limits are not determined by any  
22 arbitrary physical standard.

23 **SECTION 54.** 186.02 (2) (c) of the statutes is amended to read:

24 186.02 (2) (c) Members of the immediate family of all qualified persons are  
25 eligible for membership. ~~In this paragraph, "members of the immediate family"~~

1 ~~include the wife, husband, parents and children of a member whether living together~~  
2 ~~in the same household or not and any other relatives of the member or spouse of a~~  
3 ~~member living together in the same household as the member~~ Each credit union  
4 shall identify in its bylaws who is an eligible family member for membership  
5 purposes.

6 **SECTION 55.** 186.02 (2) (d) of the statutes is amended to read:

7 186.02 (2) (d) Organizations and associations of individuals, ~~the majority of~~  
8 ~~whom are eligible for membership whether incorporated, unincorporated or~~  
9 voluntary, may be admitted to membership in the same manner and under the same  
10 conditions as individuals. An organization having a commonality of interest with the  
11 credit union and an organization that, as one of its principal functions, provides  
12 services to persons who are eligible for membership in the credit union may be  
13 admitted to membership as provided in the bylaws.

14 **SECTION 56.** 186.02 (2) (em) of the statutes is amended to read:

15 186.02 (2) (em) A public depositor, ~~as defined in s. 34.01 (4), who makes a public~~  
16 deposit in a credit union may become a member of the credit union if the bylaws  
17 permit membership of public depositors.

18 **SECTION 57.** 186.02 (2) (f) of the statutes is amended to read:

19 186.02 (2) (f) If the bylaws require a member to purchase capital stock, an  
20 amount equivalent to the value of the required number of shares deposited by the  
21 member in any deposit account of the credit union may be treated as the member's  
22 share account deposit.

23 **SECTION 58.** 186.02 (3) (title) of the statutes is created to read:

24 186.02 (3) (title) ARTICLES AND BYLAWS.

25 **SECTION 59.** 186.02 (3) (a) of the statutes is amended to read:

1           186.02 (3) (a) Subject to par. (b), a credit union may not be organized unless the  
2 articles and bylaws are approved by the commissioner. If the commissioner approves  
3 the articles and bylaws, the commissioner shall return one approved duplicate  
4 original of the articles of incorporation to the incorporators ~~endorsed with his or her~~  
5 ~~approval~~, and the incorporators shall within 30 days record the articles of  
6 incorporation in the office of the register of deeds of the county in which the credit  
7 union is to be located. The legal existence of the credit union commences on the date  
8 and time the articles are recorded. The register of deeds shall transmit to the  
9 commissioner a certificate stating the date and time when the articles were recorded,  
10 and the commissioner shall issue a certificate of incorporation to the credit union.

11           **SECTION 60.** 186.02 (3) (a) of the statutes, as affected by 1995 Wisconsin Acts  
12 27 and .... (this act), is repealed and recreated to read:

13           186.02 (3) (a) Subject to par. (b), a credit union may not be organized unless the  
14 articles and bylaws are approved by the office of credit unions. If the office of credit  
15 unions approves the articles and bylaws, the office of credit unions shall return one  
16 approved duplicate original of the articles of incorporation to the incorporators, and  
17 the incorporators shall within 30 days record the articles of incorporation in the office  
18 of the register of deeds of the county in which the credit union is to be located. The  
19 legal existence of the credit union commences on the date and time the articles are  
20 recorded. The register of deeds shall transmit to the office of credit unions a  
21 certificate stating the date and time when the articles were recorded, and the office  
22 of credit unions shall issue a certificate of incorporation to the credit union.

23           **SECTION 61.** 186.02 (3) (b) of the statutes is amended to read:

1           186.02 (3) (b) If the commissioner refuses to approve the articles or bylaws, the  
2 incorporators may appeal the refusal to the credit union review board and the  
3 decision of the review board is final, subject to judicial review under ch. 227.

4           **SECTION 62.** 186.02 (3) (b) of the statutes, as affected by 1995 Wisconsin Acts  
5 27 and .... (this act), is repealed and recreated to read:

6           186.02 (3) (b) If the office of credit unions refuses to approve the articles or  
7 bylaws, the incorporators may appeal the refusal to the credit union review board  
8 and the decision of the review board is final, subject to judicial review under ch. 227.

9           **SECTION 63.** 186.02 (4) (title) of the statutes is created to read:

10          186.02 (4) (title) AMENDMENTS.

11          **SECTION 64.** 186.02 (4) (a) of the statutes is amended to read:

12          186.02 (4) (a) Amendments to the articles of incorporation adopted by a vote  
13 of two-thirds of the members of the credit union present at an annual meeting or a  
14 special meeting called for that purpose may be filed with the commissioner upon  
15 payment of a \$5 ~~\$50~~ fee. If approved by the commissioner, amendments to the  
16 articles are effective on recording in the office of the register of deeds in the same  
17 manner as the original articles.

18          **SECTION 65.** 186.02 (4) (a) of the statutes, as affected by 1995 Wisconsin Acts  
19 27 and .... (this act), is repealed and recreated to read:

20          186.02 (4) (a) Amendments to the articles of incorporation adopted by a vote  
21 of two-thirds of the members of the credit union present at an annual meeting or a  
22 special meeting called for that purpose may be filed with the office of credit unions  
23 upon payment of a \$50 fee. If approved by the office of credit unions, amendments  
24 to the articles are effective on recording in the office of the register of deeds in the  
25 same manner as the original articles.

1           **SECTION 66.** 186.02 (4) (b) of the statutes is amended to read:

2           186.02 (4) (b) All amendments to the bylaws shall be filed with the  
3 commissioner and shall be accompanied by the payment of a \$50 fee. Amendments  
4 to the bylaws shall take effect only after being approved by the commissioner.

5           **SECTION 67.** 186.02 (4) (b) of the statutes, as affected by 1995 Wisconsin Acts  
6 27 and .... (this act), is repealed and recreated to read:

7           186.02 (4) (b) All amendments to the bylaws shall be filed with the office of  
8 credit unions and shall be accompanied by the payment of a \$50 fee. Amendments  
9 to the bylaws shall take effect only after being approved by the office.

10          **SECTION 68.** 186.02 (4) (c) of the statutes is created to read:

11          186.02 (4) (c) A credit union is not required to obtain the prior approval of its  
12 membership to move the credit union's principal office within a 20-mile radius of its  
13 present location, including to another county.

14          **SECTION 69.** 186.03 of the statutes is repealed and recreated to read:

15          **186.03 Use of name exclusive. (1) LIMITS.** A person may not use a name  
16 containing the phrase "credit union", represent itself as a credit union or conduct  
17 business as a credit union unless the person is any of the following:

18           (a) A credit union.

19           (b) An association of credit unions.

20           (c) An organization, association or corporation whose membership or  
21 ownership is primarily confined or restricted to credit unions.

22          **(2) USE REQUIRED.** A credit union shall use the phrase "credit union" in its  
23 corporate name.

1           **(3) NAME APPROVAL.** The commissioner shall approve a credit union's name  
2 before the name is officially adopted. A credit union may not adopt the name of  
3 another credit union doing business in this state.

4           **(4) PENALTY.** Whoever violates this section may be fined not more than \$5,000.

5           **SECTION 70.** 186.03 (3) of the statutes, as affected by 1995 Wisconsin Act ...  
6 (this act), is amended to read:

7           186.03 **(3) NAME APPROVAL.** The ~~commissioner~~ office of credit unions shall  
8 approve a credit union's name before the name is officially adopted. A credit union  
9 may not adopt the name of another credit union doing business in this state.

10          **SECTION 71.** 186.04 of the statutes is renumbered 186.235 (14) and amended  
11 to read:

12          186.235 **(14) (title)** ~~EXAMINATION AND SUPERVISION FEES~~ ANNUAL ASSESSMENTS  
13 AND EXAMINATION COSTS. (a) The commissioner, with the approval of the credit union  
14 review board, shall fix the amounts to be assessed against credit unions for their  
15 supervision and the ~~examination~~ examinations under and by virtue of this chapter.  
16 ~~Such amounts~~ Amounts shall be determined and paid as provided in this ~~section~~  
17 subsection.

18          (b) On or before July 15 of each year, each credit union shall pay to the office  
19 of the commissioner an annual ~~fee to be determined as provided in sub. (1)~~  
20 assessment, which shall represent as nearly as practicable its fair share of the  
21 maintenance of the office of the commissioner.

22          (c) In addition to the annual ~~fee~~ assessment, each credit union shall be assessed  
23 charged for the cost of every examination made, ~~which cost shall be determined as~~  
24 provided in sub. (1) and. The examination charge shall include the prorated amount  
25 of salaries and expenses of all examiners and other employees actively engaged in the

1 examination, the salaries and expenses of any other person whose services are  
2 required in connection with the examination and any ~~reports thereof~~, examination  
3 report and any other expenses which may be directly attributable thereto. ~~Any~~  
4 ~~charge so made~~ to the examination. The examination charge shall be paid within 30  
5 ~~days from the date the credit union receives notice of the assessment of such fee on~~  
6 the day on which the examination is completed.

7 (d) Failure of any credit union to pay any amount as provided in this ~~section~~  
8 subsection shall be grounds for the revocation of the charter of the credit union  
9 failing to make the payment.

10 (e) If the amounts collected under this ~~section are in excess of~~ subsection exceed  
11 the actual amounts necessary for the supervision and examination of credit unions  
12 in each a year, the excess shall be retained by the commissioner and applied in  
13 reducing the amounts chargeable for ensuing years.

14 **SECTION 72.** 186.06 (title), (1) and (2) of the statutes are repealed and recreated  
15 to read:

16 **186.06 (title) Membership meetings, fiscal year. (1) MANNER OF MEETING.**  
17 The annual meeting and any special meeting of the members of a credit union shall  
18 be held in the manner provided by the bylaws.

19 **(2) REPRESENTATION.** An organization, association or corporation member of a  
20 credit union may be represented by and have its vote cast by an authorized  
21 representative of its members or owners.

22 **SECTION 73.** 186.06 (1m) of the statutes is created to read:

23 186.06 **(1m) VOTING.** At a meeting, each member shall have one vote  
24 irrespective of the member's share total. Except as provided in sub. (2), a member  
25 may not vote by proxy.

1           **SECTION 74.** 186.06 (2m) of the statutes is created to read:

2           186.06 **(2m)** VOTING ELIGIBILITY. The bylaws shall prescribe the terms by which  
3 a member is eligible to vote at a meeting.

4           **SECTION 75.** 186.06 (3) of the statutes is repealed and recreated to read:

5           186.06 **(3)** MEETING ISSUES. (a) At any meeting, if the notice so indicates, a  
6 majority of the members present may direct the board of directors to do any of the  
7 following:

- 8           1. Consider implementing any policy proposed by the members.
- 9           2. Reconsider any decision of the directors, officers or committees.

10          (b) At any meeting, if the notice so indicates, the members may, by a  
11 three-fourths vote of the members present, do any of the following:

- 12          1. Remove any member of the board of directors.
- 13          2. Amend the bylaws.

14          **SECTION 76.** 186.06 (4) of the statutes is amended to read:

15          186.06 **(4)** (title) FISCAL YEAR. The fiscal year of every credit union shall end at  
16 the close of business on December 31 and the credit union shall, at least  
17 semiannually, transfer funds to the loss reserve account as provided in s. 186.17.

18          **SECTION 77.** 186.07 (title), (1) and (2) of the statutes are repealed and recreated  
19 to read:

20          **186.07** (title) **Board of directors.** **(1)** DIRECTORS. At the first meeting of the  
21 members, the members shall elect a board of directors, consisting of an odd number  
22 of directors. A board of directors shall consist of at least 5 directors. Subsequent  
23 elections for board members shall be held at the annual membership meeting held  
24 in a manner prescribed in the bylaws.

25          **(2)** TERMS. A director shall hold office until any of the following occurs:



1 (a) A successor is elected or appointed and the successor signs an oath of office.

2 (b) The director is removed under sub. (5) or dies.

3 **SECTION 78.** 186.07 (1m) of the statutes is created to read:

4 186.07 **(1m)** APPOINTMENTS. (a) The board of directors shall appoint a president  
5 of the credit union. The board may also appoint any committee that the board  
6 considers to be necessary.

7 (b) The president shall appoint any employe officer.

8 **SECTION 79.** 186.07 (3) (title) of the statutes is created to read:

9 186.07 **(3)** (title) MEETING PARTICIPATION.

10 **SECTION 80.** 186.07 (4) to (7) of the statutes are created to read:

11 186.07 **(4)** DIRECTOR ELIGIBILITY. Eligibility for election to the board of directors  
12 shall be prescribed in the bylaws.

13 **(5)** DIRECTOR REMOVAL. The board of directors shall remove a director from the  
14 board if any of the following applies:

15 (a) The director withdraws from membership in the credit union.

16 (b) The director causes a loss to the credit union because of a delinquency or  
17 a known conflict of interest.

18 (c) The director is unable to be bonded for all activities of the credit union.

19 (d) In the judgment of the board of directors, removal of the director is in the  
20 best interests of the credit union.

21 **(6)** REMOVAL NOTICE AND APPEAL. A director who is removed under sub. (5) or s.  
22 186.071 (2) shall be given notice of removal and shall be given an opportunity to  
23 appeal before the board of directors.

1           **(7) VACANCIES.** Within 60 days after the date of a removal, the board of directors  
2 shall appoint a director to fill the vacancy. The appointee shall serve until a successor  
3 is elected at the next annual membership meeting.

4           **SECTION 81.** 186.071 of the statutes is created to read:

5           **186.071 Oath of office. (1) OATH.** Every director, officer, committee member  
6 and employe shall sign an oath of office. The oath shall require the director, officer,  
7 committee member and employe to do all of the following:

8           (a) Keep confidential the financial affairs of credit union members, unless state  
9 and federal laws, security requirements or sound lending practices require  
10 disclosure.

11           (b) Keep confidential the records and accounts of the credit union unless state  
12 or federal law requires disclosure.

13           (c) Familiarize themselves with the credit union laws, bylaws, rules and  
14 policies.

15           (d) Avoid initiating or participating in any insider dealings using credit union  
16 funds or the credit union's power or authority.

17           (e) Avoid initiating or participating in any action that may be in that person's  
18 personal pecuniary interest.

19           **(2) REMOVAL FOR VIOLATION.** If an individual refuses to sign the oath of office or  
20 knowingly and wilfully violates the oath of office, the board shall remove that  
21 individual as a director, officer or committee member or shall direct that the  
22 individual be terminated as an employe.

23           **SECTION 82.** 186.08 (1) (intro.) of the statutes is renumbered 186.08 (1) and  
24 amended to read:

1           186.08 (1) (title) MANAGEMENT. At its first meeting following the annual  
2 membership meeting, the board of directors shall elect from ~~their~~ its number a  
3 chairperson and one or more vice chairpersons, a secretary of the board and a  
4 treasurer and shall ~~appoint a president~~. ~~The board or the president may appoint one~~  
5 ~~or more vice presidents in accordance with the bylaws~~. ~~The president shall be the~~  
6 ~~operating executive officer~~. ~~The president and vice presidents may be directors of the~~  
7 ~~board~~. Any 2 or more offices of the board may be held by the same person, except the  
8 offices of ~~president and secretary and the offices of president and vice president~~  
9 chairperson and vice chairperson and the offices of chairperson and secretary. The  
10 board of directors shall have the general ~~management of~~ oversight and final  
11 decision-making authority over the affairs, funds and records of the credit union,  
12 and shall meet as often as may be necessary. ~~It shall be the~~ The president of the credit  
13 union shall be the chief executive officer of the credit union and shall be in active  
14 charge of managing the credit union's day-to-day operations.

15           **(1m)** (title) BOARD DUTIES. The board's duty duties include all of the following:

16           **SECTION 83.** 186.08 (1) (a) to (d) of the statutes are renumbered 186.08 (1m) (a)  
17 to (d) and amended to read:

18           186.08 **(1m)** (a) ~~To act upon~~ Acting on all applications for membership, unless  
19 ~~a membership officer is appointed;~~ the board delegates that responsibility.

20           (b) ~~To act upon the expulsion of~~ Expelling members; for cause.

21           (c) ~~To fix~~ Setting the amount of surety bond which shall be required of each  
22 officer having custody of funds;.

23           (d) ~~To fill~~ Filling vacancies in on the board of directors ~~or executive offices or~~  
24 ~~in the credit committee in such manner as the bylaws prescribe;~~.

25           **SECTION 84.** 186.08 (1) (e) of the statutes is repealed.

1           **SECTION 85.** 186.08 (1) (f) of the statutes is renumbered 186.08 (1m) (e) and  
2 amended to read:

3           186.08 **(1m)** (e) ~~To establish~~ Establishing rates of interest on all loans or  
4 authorizing an officer or committee of the credit union to establish interest rates on  
5 loans.

6           **SECTION 86.** 186.08 (1m) (f) of the statutes is created to read:

7           186.08 **(1m)** (f) Establishing conditions applicable to deposit accounts.

8           **SECTION 87.** 186.08 (1m) (g) of the statutes is created to read:

9           186.08 **(1m)** (g) Establishing rates of interest on all deposit accounts or  
10 authorizing an officer or committee of the credit union to establish interest rates on  
11 deposit accounts.

12           **SECTION 88.** 186.08 (2) of the statutes is repealed.

13           **SECTION 89.** 186.08 (3) of the statutes is amended to read:

14           186.08 **(3)** (title) EXECUTIVE COMMITTEE, MEETINGS. The board of directors may  
15 appoint an executive committee consisting of at least 3 directors. If an executive  
16 committee is appointed ~~under this subsection~~, the executive committee shall meet  
17 as often as necessary, and the full board of directors shall meet at least ~~semiannually~~  
18 quarterly. The board of directors may delegate all or any part of its authority ~~under~~  
19 ~~this chapter~~ to an executive committee ~~appointed under this subsection~~, subject to  
20 any conditions or limitations the board may impose.

21           **SECTION 90.** 186.083 (1) (title), (2) (title), (3) (title) and (4) (title) of the statutes  
22 are created to read:

23           186.083 **(1)** (title) INDEMNIFICATION REQUIRED.

24           **(2)** (title) EXCEPTIONS.

25           **(3)** (title) WRITTEN REQUESTS.

1           **(4)** (title) INDEMNIFICATION NOT REQUIRED.

2           **SECTION 91.** 186.086 (1) (title) of the statutes is created to read:

3           186.086 **(1)** (title) LIMITATIONS.

4           **SECTION 92.** 186.086 (2) (title) of the statutes is created to read:

5           186.086 **(2)** (title) LIMITATION APPLICABILITY.

6           **SECTION 93.** 186.087 (1) (title), (2) (title) and (3) (title) of the statutes are  
7 created to read:

8           186.087 **(1)** (title) ADDITIONAL RIGHTS.

9           **(2)** (title) ALLOWANCE EXPENSES.

10          **(3)** (title) OTHER EXPENSES.

11          **SECTION 94.** 186.088 (1) (title) and (2) (title) of the statutes are created to read:

12          186.088 **(1)** (title) APPLICATION.

13          **(2)** (title) CONDITIONS.

14          **SECTION 95.** 186.095 (1) of the statutes is amended to read:

15          186.095 **(1)** The effects of the action on employes, suppliers and customers,  
16 members of the credit union and the public.

17          **SECTION 96.** 186.096 (1) (title) of the statutes is created to read:

18          186.096 **(1)** (title) LIMITED LIABILITY.

19          **SECTION 97.** 186.096 (2) (title) of the statutes is created to read:

20          186.096 **(2)** (title) EXCEPTIONS.

21          **SECTION 98.** 186.096 (2) (a) of the statutes is amended to read:

22          186.096 **(2)** (a) A proceeding brought against a director or officer under s.  
23 ~~186.23, 186.24 (1) or 186.29 (1m)~~ (a) 186.235 (8), (10) or (11) (b) 1.

24          **SECTION 99.** 186.096 (3) (title) of the statutes is created to read:

25          186.096 **(3)** (title) APPLICABILITY TO GOVERNMENTS.

1           **SECTION 100.** 186.098 (1) of the statutes is amended to read:

2           186.098 (1) (title) LOAN APPROVAL. The credit union may make loans to members  
3 upon terms approved by the credit committee or a loan officer at rates of interest not  
4 to exceed any applicable maximum rate or board of directors.

5           **SECTION 101.** 186.098 (2) of the statutes is amended to read:

6           186.098 (2) (title) APPEALS. ~~The credit committee or loan officer shall maintain~~  
7 ~~a record of each loan approved or not approved. The A loan~~ applicant for a loan may  
8 appeal in writing the decision of the credit committee or ~~the a~~ loan officer to the  
9 president and may appeal in writing the president's decision to the board of directors.

10          **SECTION 102.** 186.098 (3) of the statutes is amended to read:

11          186.098 (3) Every application for a loan shall be ~~in writing~~ documented and  
12 acknowledged by the member and shall state the security or collateral offered, if any.

13          **SECTION 103.** 186.098 (4) of the statutes is amended to read:

14          186.098 (4) (title) BOARD APPROVAL. ~~Approval of loans shall be the responsibility~~  
15 ~~of the credit committee or loan officer, except where application for loans are made~~  
16 ~~by members of the credit committee or the loan officers. No loan shall be made unless~~  
17 ~~approved by the majority of the credit committee or by a loan officer, except that the~~  
18 The board of directors or its designee shall act on the applications of credit committee  
19 members and loan officers, ~~and on applications appealed to the board in writing by~~  
20 ~~members.~~

21          **SECTION 104.** 186.098 (5) of the statutes is amended to read:

22          186.098 (5) (title) LIMITS. No loans shall be made to any member in excess of  
23 \$100 or 10% of the credit union's assets, ~~whichever is greater;~~ plus the balance of the  
24 member's share account pledged as security for such the loan, ~~but these limitations.~~

1     This subsection shall not apply to loans made to member credit unions by a corporate  
2     central credit union.

3             **SECTION 105.** 186.098 (6) (a) (intro.) of the statutes is renumbered 186.098 (6)  
4     (intro.) and amended to read:

5             186.098 (6) (title) POLICIES. (intro.) The board of directors shall determine the  
6     policy regarding collateral all of the following:

7             (a) Collateral acceptable for secured loans. ~~Loans to members which in the~~  
8     ~~aggregate exceed the amount shown in the schedule below shall be secured by such~~  
9     ~~collateral having a value which is at least equal to any amount exceeding the limits~~  
10    ~~in the following schedule, except that all loans exceeding \$5,000 not subject to~~  
11    ~~collateral shall be supported by a sworn financial statement:~~

12            **SECTION 106.** 186.098 (6) (a) 1. to 6. of the statutes are repealed.

13            **SECTION 107.** 186.098 (6) (b) of the statutes is repealed and recreated to read:  
14     186.098 (6) (b) Loan limits.

15            **SECTION 108.** 186.098 (6) (c) of the statutes is created to read:

16     186.098 (6) (c) Loan approval if a director, officer, credit committee member or  
17    employe provides security as a comaker, guarantor, endorser or other form of surety.

18            **SECTION 109.** 186.098 (7) of the statutes is repealed and recreated to read:

19     186.098 (7) SURETY REPAYMENT EVIDENCE. An endorser, comaker, guarantor or  
20    other surety shall provide the credit union with evidence of ability to repay the  
21    obligation of the member.

22            **SECTION 110.** 186.098 (8) (title) of the statutes is created to read:

23     186.098 (8) (title) CREDIT EXTENSIONS.

24            **SECTION 111.** 186.098 (8) (b) of the statutes is amended to read:

1           186.098 (8) (b) ~~With the approval of the commissioner, credit unions~~ A credit  
2 union may utilize credit cards, including point-of-purchase credit, ~~providing if the~~  
3 credit committee or loan officer, upon their own motion or upon application by a  
4 member, has predetermined the extent of credit extension.

5           **SECTION 112.** 186.098 (8) (b) of the statutes, as affected by 1995 Wisconsin Acts  
6 27 and .... (this act), is repealed and recreated to read:

7           186.098 (8) (b) A credit union may utilize credit cards, including  
8 point-of-purchase credit, if the credit committee or loan officer, upon its or his or her  
9 own motion or upon application by a member, has predetermined the extent of credit  
10 extension.

11           **SECTION 113.** 186.098 (9) of the statutes is repealed.

12           **SECTION 114.** 186.098 (9m) of the statutes is created to read:

13           186.098 (9m) PARTICIPATION LOANS. Subject to rules prescribed by the  
14 commissioner, a credit union may participate with other lenders in a loan of any type  
15 that the credit union may otherwise make.

16           **SECTION 115.** 186.098 (9m) of the statutes, as created by 1995 Wisconsin Act  
17 .... (this act), is amended to read:

18           186.098 (9m) PARTICIPATION LOANS. Subject to rules prescribed by the  
19 ~~commissioner~~ office of credit unions, a credit union may participate with other  
20 lenders in a loan of any type that the credit union may otherwise make.

21           **SECTION 116.** 186.098 (10) of the statutes is amended to read:

22           186.098 (10) (title) ADDITIONAL ADVANCES. Loans to members secured by  
23 mortgages on real estate may be made subject to the rules prescribed by the  
24 commissioner. Such loans may provide for additional advances, ~~but any~~ with priority



1 lien status. Any additional advance made to a member, if the mortgage and mortgage  
2 note so provide, may not exceed an amount specified in the mortgage.

3 **SECTION 117.** 186.098 (10) of the statutes, as affected by 1995 Wisconsin Acts  
4 27 and .... (this act), is repealed and recreated to read:

5 186.098 (10) ADDITIONAL ADVANCES. Loans to members secured by mortgages  
6 on real estate may be made subject to the rules prescribed by the office of credit  
7 unions. Such loans may provide for additional advances with priority lien status.  
8 Any additional advance made to a member, if the mortgage and mortgage note so  
9 provide, may not exceed an amount specified in the mortgage.

10 **SECTION 118.** 186.098 (11) (title) of the statutes is created to read:

11 186.098 (11) (title) GUARANTEED LOANS.

12 **SECTION 119.** 186.098 (12) (title) of the statutes is created to read:

13 186.098 (12) (title) LOANS TO MEMBERS.

14 **SECTION 120.** 186.098 (13) of the statutes is created to read:

15 186.098 (13) LIENS. (a) Subject to any limitation on security interests  
16 identified in s. 422.417 (3) and if the loan agreement or endorsement permits it, a  
17 credit union shall have a lien on the share deposits and deposit accounts and  
18 accumulated dividends of a member for any amount owed the credit union by the  
19 member and for any loan endorsed by the member. Upon the default of the owner  
20 of the account in an obligation owed to the credit union, the credit union shall have  
21 a right of immediate setoff for each share deposit and deposit account unless  
22 prohibited under 12 CFR 226.12 (d). Sections 425.104 and 425.105 apply to a default  
23 under this paragraph. The credit union may also refuse to allow withdrawals from  
24 any share deposit or deposit account in an amount not to exceed any delinquent  
25 obligation to the credit union.

1 (b) The credit union may waive its rights to a lien, to immediate setoff or to  
2 restrict withdrawals or to any combination of these rights for any share deposit or  
3 deposit account.

4 **SECTION 121.** 186.10 (1) (title) of the statutes is created to read:

5 186.10 (1) (title) MINORS' SHARES.

6 **SECTION 122.** 186.10 (2) of the statutes is amended to read:

7 186.10 (2) (title) SHARES IN TRUST. Shares may be issued in trust, subject to any  
8 conditions prescribed in the bylaws. ~~If shares are issued in trust, the name of the~~  
9 ~~beneficiary shall be disclosed to the credit union~~ Share accounts and deposit accounts  
10 may be owned by a member in trust for a beneficiary, or owned by a nonmember in  
11 trust for a beneficiary who is a member.

12 **SECTION 123.** 186.11 (1) of the statutes is renumbered 186.11 (1) (intro.) and  
13 amended to read:

14 186.11 (1) GENERAL. (intro.) The board of directors may invest credit union  
15 funds in U.S. any of the following:

16 (a) United States government direct and agency obligations, ~~municipal.~~

17 (b) Municipal bonds issued by municipalities of the state,.

18 (c) A corporate central credit unions, ~~banks~~ union organized under s. 186.32 or  
19 under any other state or federal law.

20 (d) Deposits and debt instruments of federally insured banks, credit unions,  
21 savings banks and savings and loans loan associations located in Wisconsin and may,  
22 with,

23 (e) With the approval of the commissioner, ~~make other investments including~~  
24 ~~investments in credit unions~~ other investment instruments.

1           **SECTION 124.** 186.11 (1) (e) of the statutes, as affected by 1995 Wisconsin Act  
2 .... (this act), is repealed and recreated to read:

3           186.11 (1) (e) With the approval of the office of credit unions, other investment  
4 instruments.

5           **SECTION 125.** 186.11 (2) (b) of the statutes is amended to read:

6           186.11 (2) (b) The board of directors may purchase, lease or construct a building  
7 for the operation of the credit union, ~~provided if~~ the aggregate ~~cost~~ depreciated value  
8 of the building, including any associated remodeling of the building, or land  
9 improvements ~~and~~, land acquisition, office furnishings and equipment, does not  
10 exceed the greater of 5% of the credit union's total assets, including the building to  
11 be acquired, or 100% of the credit union's regular irrevocable reserve unless prior  
12 approval for greater amounts is given by the commissioner. ~~The cost of land~~  
13 ~~acquisition may include vicinal property for future expansion but may not exceed the~~  
14 ~~aggregate cost limitation.~~ Nothing in this subsection authorizes a credit union to  
15 lease a building owned by a director or by a corporation, limited liability company,  
16 partnership or association controlled by a director. The credit union may rent or  
17 lease a portion of its building or property.

18           **SECTION 126.** 186.11 (2) (b) of the statutes, as affected by 1995 Wisconsin Acts  
19 27 and .... (this act), is repealed and recreated to read:

20           186.11 (2) (b) The board of directors may purchase, lease or construct a building  
21 for the operation of the credit union, if the aggregate depreciated value of the  
22 building, including any associated remodeling of the building or land improvements,  
23 land acquisition, office furnishings and equipment, does not exceed the greater of 5%  
24 of the credit union's total assets, including the building to be acquired, or 100% of the  
25 credit union's irrevocable reserve unless prior approval for greater amounts is given

1 by the office of credit unions. Nothing in this subsection authorizes a credit union  
2 to lease a building owned by a director or by a corporation, limited liability company,  
3 partnership or association controlled by a director. The credit union may rent or  
4 lease a portion of its building or property.

5 **SECTION 127.** 186.11 (4) (a) of the statutes is amended to read:

6 186.11 (4) (a) A credit union may invest not more than ~~10%~~ 1.5% of its regular  
7 reserve total assets in the capital shares or obligations of a corporation organized  
8 primarily to provide goods and services ~~specified in par. (b)~~ to credit unions and,  
9 credit union organizations, credit union members and persons who are eligible for  
10 membership.

11 **SECTION 128.** 186.11 (4) (b) (intro.), 1., 3. and 4. of the statutes are amended  
12 to read:

13 186.11 (4) (b) (intro.) A service corporation under par. (a) may provide goods  
14 and services ~~relating to one or more~~ including any of the following functions:

15 1. Credit union operations services, including service centers, credit and debit  
16 card services, automated teller and remote terminal services, accounting systems,  
17 data processing, management training and support, payment item processing,  
18 record retention and storage, locator services, research, debt collection, credit  
19 analysis and loan servicing ~~and~~, coin and currency services and marketing and  
20 advertising services.

21 3. Development and administration of individual retirement accounts, Keogh  
22 plans and other ~~personnel~~ employe benefit plans.

23 4. Provision of trust services, ~~including service as trustee and in other similar~~  
24 fiduciary capacities.

25 **SECTION 129.** 186.11 (4) (c) of the statutes is created to read:

1           186.11 (4) (c) A service corporation may be subject to audit by the commissioner.

2           **SECTION 130.** 186.112 of the statutes is amended to read:

3           **186.112 Credit union borrowing.** The board of directors may borrow money  
4 from any source if the amount borrowed does not exceed 50% 30% of the credit union's  
5 total savings, deposits and reserves and the loan is not for a period longer than 12  
6 months. ~~The limitations of this subsection do not apply to national corporate central~~  
7 ~~credit unions. The 12-month limitation under this subsection does not apply to~~  
8 ~~money borrowed by a credit union to acquire credit union property, buildings,~~  
9 ~~remodeling or equipment. The commissioner may exempt any credit union from the~~  
10 ~~limitations of this subsection. Credit union borrowing may exceed 30% if the~~  
11 ~~commissioner approves.~~

12           **SECTION 131.** 186.112 of the statutes, as affected by 1995 Wisconsin Acts 27 and  
13 .... (this act), is repealed and recreated to read:

14           **186.112 Credit union borrowing.** The board of directors may borrow money  
15 from any source if the amount borrowed does not exceed 30% of the credit union's  
16 total savings, deposits and reserves. Credit union borrowing may exceed 30% if the  
17 office of credit unions approves.

18           **SECTION 132.** 186.113 (title) of the statutes is amended to read:

19           **186.113 (title) Credit union services powers.**

20           **SECTION 133.** 186.113 (1) of the statutes is amended to read:

21           186.113 (1) (title) BRANCH OFFICES. ~~If the need and necessity exists, establish~~  
22 ~~subsidiary offices With the approval of the commissioner, establish branch offices~~  
23 ~~inside or outside of this state where permanent records may be maintained within~~  
24 ~~the state with the approval of the commissioner.~~

1           **SECTION 134.** 186.113 (1) of the statutes, as affected by 1995 Wisconsin Acts 27  
2 and ... (this act), is repealed and recreated to read:

3           186.113 (1) **BRANCH OFFICES.** With the approval of the office of credit unions,  
4 establish branch offices inside or outside of this state where permanent records may  
5 be maintained.

6           **SECTION 135.** 186.113 (1e) of the statutes is created to read:

7           186.113 (1e) **OUT-OF-STATE MEMBERSHIP.** Expand its field of membership to  
8 states that border this state.

9           **SECTION 136.** 186.113 (1m) of the statutes is repealed.

10          **SECTION 137.** 186.113 (1s) of the statutes is created to read:

11          186.113 (1s) **SERVICE CENTERS.** Upon notice to the commissioner, establish and  
12 maintain service centers that are reasonably necessary to furnish services to  
13 members. A credit union may operate a shared service center with one or more credit  
14 unions and may participate in a shared service center network that is operated from  
15 inside or outside of this state. This subsection does not prohibit a credit union from  
16 referring to a service center as a branch office. A service center shall be under the  
17 supervision of the commissioner.

18          **SECTION 138.** 186.113 (1s) of the statutes, as created by 1995 Wisconsin Act ...  
19 (this act), is amended to read:

20          186.113 (1s) **SERVICE CENTERS.** Upon notice to the ~~commissioner~~ office of credit  
21 unions, establish and maintain service centers that are reasonably necessary to  
22 furnish services to members. A credit union may operate a shared service center with  
23 one or more credit unions and may participate in a shared service center network  
24 that is operated from inside or outside of this state. This subsection does not prohibit

1 a credit union from referring to a service center as a branch office. A service center  
2 shall be under the supervision of the ~~commissioner~~ office of credit unions.

3 **SECTION 139.** 186.113 (2) of the statutes is repealed and recreated to read:

4 186.113 (2) CREDIT UNION CENTER CORPORATION. With other credit unions,  
5 organize a credit union center corporation that provides facilities, equipment and  
6 personnel. A credit union center corporation shall be under the supervision of the  
7 commissioner.

8 **SECTION 140.** 186.113 (2) of the statutes, as affected by 1995 Wisconsin Acts 27  
9 and ... (this act), is repealed and recreated to read:

10 186.113 (2) CREDIT UNION CENTER CORPORATION. With other credit unions,  
11 organize a credit union center corporation that provides facilities, equipment and  
12 personnel. A credit union center corporation shall be under the supervision of the  
13 office of credit unions.

14 **SECTION 141.** 186.113 (3) (title) of the statutes is created to read:

15 186.113 (3) (title) FINANCIAL COUNSELING.

16 **SECTION 142.** 186.113 (4) (title) of the statutes is created to read:

17 186.113 (4) (title) FEES.

18 **SECTION 143.** 186.113 (5) of the statutes is amended to read:

19 186.113 (5) (title) THIRD-PARTY CHECKS. Issue third-party checks from an  
20 account of a member upon request of the member.

21 **SECTION 144.** 186.113 (6) (title) of the statutes is created to read:

22 186.113 (6) (title) TRUST SERVICES.

23 **SECTION 145.** 186.113 (6) (intro.) of the statutes is repealed.

24 **SECTION 146.** 186.113 (6) (a) and (b) of the statutes are amended to read:

1           186.113 (6) (a) ~~Contract for the provision of trust services to its members with~~  
2           ~~a trust company or other organization with trust powers authorized to do business~~  
3           ~~in this state. For this purpose, the trust company or other organization with trust~~  
4           ~~powers may serve credit union members at credit union facilities on a full-time or~~  
5           ~~part-time basis to provide trust services to the credit union's members.~~

6           (b) Act as trustees of member tax deferred funds permitted by federal law to  
7           be deposited in a credit union as a ~~deferred compensation or tax-deferral device.~~

8           **SECTION 147.** 186.113 (6) (c) of the statutes is created to read:

9           186.113 (6) (c) Act as a depository for member-deferred compensation funds  
10          as permitted by federal law.

11          **SECTION 148.** 186.113 (7) (title) of the statutes is created to read:

12          186.113 (7) (title) CONDITIONAL SALES CONTRACTS.

13          **SECTION 149.** 186.113 (8) of the statutes is amended to read:

14          186.113 (8) (title) DONATIONS. ~~Make donations and grants in the aggregate not~~  
15          ~~to, the total of which may not exceed one-half of one per cent 0.5% of regular reserves~~  
16          within a given year.

17          **SECTION 150.** 186.113 (9) of the statutes is amended to read:

18          186.113 (9) (title) FINANCIAL SERVICES. Collect, receive and disburse moneys in  
19          connection with the sale or provision of share drafts, travelers checks, money orders  
20          and, credit cards, debit cards or similar instruments.

21          **SECTION 151.** 186.113 (10) (title) of the statutes is created to read:

22          186.113 (10) (title) ADDITIONAL POWERS.

23          **SECTION 152.** 186.113 (11) of the statutes is amended to read:

24          186.113 (11) (title) ACCOUNTS. Have deposit accounts such as ~~Christmas,~~  
25          ~~vacation,~~ club accounts and education, ~~deferred income, pension and similar types,~~



1 direct deposit, net pay or other accounts that serve members' savings and deposit  
2 needs.

3 **SECTION 153.** 186.113 (12) of the statutes is amended to read:

4 186.113 (12) (title) ELECTIONS. Conduct annual board of director elections by  
5 ~~mail ballot which shall be valid only for the meeting designated in the manner~~  
6 provided by the bylaws.

7 **SECTION 154.** 186.113 (13) of the statutes is amended to read:

8 186.113 (13) (title) MULTIPARTY ACCOUNTS. Issue multiple accounts in joint  
9 tenancy with any person designated by the ~~credit union~~ member. The person first  
10 named ~~in any such joint~~ on the account shall be a member of the credit union. A  
11 nonmember named in the joint account shall not acquire the right to vote, obtain  
12 loans or hold office because of the nonmember's inclusion in the joint account.

13 **SECTION 155.** 186.113 (14) (title) of the statutes is created to read:

14 186.113 (14) (title) GOVERNMENT LOANS.

15 **SECTION 156.** 186.113 (14) of the statutes is renumbered 186.113 (14) (a) and  
16 amended to read:

17 186.113 (14) (a) Process applications, act as closing agent and service loans  
18 made under s. 45.79, with the approval of the department of veterans affairs.

19 **SECTION 157.** 186.113 (14) (b) of the statutes is created to read:

20 186.113 (14) (b) Make loans to members that are guaranteed by this state or  
21 by the federal government, with the approval of the appropriate state or federal  
22 administering agency.

23 **SECTION 158.** 186.113 (14m) of the statutes is created to read:

24 186.113 (14m) SAFE DEPOSIT BOXES. (a) Rent safe deposit receptacles upon its  
25 premises for an agreed upon fee. A credit union may store for safekeeping valuable

1 or personal property of any member or of any person who is eligible to be a member.  
2 The credit union shall have a lien for its charges on any property received by it for  
3 safekeeping.

4 (b) Sell any property subject to a lien under par. (a) at public auction in  
5 accordance with procedures under ch. 815. A credit union may retain from the  
6 proceeds of the sale all lien fees and charges due including reasonable expenses of  
7 the sale. A credit union shall pay the remaining balance to the person depositing the  
8 property or to the legal representatives or assigns.

9 **SECTION 159.** 186.113 (15) (title) of the statutes is created to read:

10 186.113 (15) (title) AUTOMATED TELLER MACHINES.

11 **SECTION 160.** 186.113 (16) of the statutes is repealed and recreated to read:

12 186.113 (16) DORMANT ACCOUNTS. Subject to ch. 177, establish a policy,  
13 including a fee schedule, for disposing of dormant accounts.

14 **SECTION 161.** 186.113 (17) of the statutes is amended to read:

15 186.113 (17) (title) CONTRACTS. Make contracts necessary and proper to effect  
16 meet its purpose and to conduct its business.

17 **SECTION 162.** 186.113 (18) of the statutes is amended to read:

18 186.113 (18) (title) LEGAL ACTIONS. To sue and be sued, and to appear and  
19 defend in all actions and proceedings under its corporate name ~~to the same extent~~  
20 ~~as a natural person.~~

21 **SECTION 163.** 186.113 (19) of the statutes is amended to read:

22 186.113 (19) (title) CLIENT FUND ACCOUNTS. Maintain real estate broker trust  
23 accounts under s. 452.13 for brokers ~~otherwise~~ who are eligible for membership in  
24 the credit union, attorney trust accounts under s. 757.293 for attorneys ~~otherwise~~  
25 who are eligible for membership in the credit union and collection agency trust

1 accounts under s. 218.04 (9g) for persons ~~otherwise~~ who are eligible for membership  
2 in the credit union.

3 **SECTION 164.** 186.113 (20) of the statutes is amended to read:

4 186.113 (20) (title) PUBLIC DEPOSITORY. Act as ~~depositories~~ a depository of state  
5 and local public funds.

6 **SECTION 165.** 186.113 (21) of the statutes is amended to read:

7 186.113 (21) (title) FEDERAL DEPOSITORY. On request of the federal secretary of  
8 the treasury, act as federal depository, fiscal agent or both of the federal government  
9 ~~and perform.~~ A credit union may perform such services as the federal secretary of  
10 the treasury may ~~require~~ authorize in connection with the collection of taxes and  
11 other obligations due the federal government and the lending, borrowing and  
12 repayment of money by the federal government, including the issue, sale,  
13 redemption or repurchase of bonds, notes, treasury certificates of indebtedness, or  
14 other obligations of the federal government.

15 **SECTION 166.** 186.113 (22) of the statutes, as affected by 1995 Wisconsin Act  
16 .... (this act), is amended to read:

17 186.113 (22) COMMUNITY CURRENCY EXCHANGE AND SELLER OF CHECKS. Engage  
18 in the business and functions provided for in s. 218.05 and ch. 217 upon receiving a  
19 certificate of authority from the ~~commissioner~~ office of credit unions. An applicant  
20 shall meet the same requirements as other applicants under ch. 217, but no  
21 investigation fee may be charged of credit union applicants. The ~~commissioner~~ office  
22 of credit unions may revoke a certificate of authority following a hearing held upon  
23 10 days' notice to the credit union for any reason which would have justified the  
24 rejection of an application or on the ground that the continued operation of the  
25 business threatens the solvency of the credit union.

1           **SECTION 167.** 186.113 (23) of the statutes is created to read:

2           186.113 **(23)** SELL OR PURCHASE ASSETS. Discount or sell any of its assets and,  
3 subject to rules of the commissioner, purchase assets of another lender or seller.

4           **SECTION 168.** 186.115 (1) (title) of the statutes is created to read:

5           186.115 **(1)** (title) SCOPE OF AUTHORITY.

6           **SECTION 169.** 186.115 (2) of the statutes is amended to read:

7           186.115 **(2)** (title) RULES. The activities, powers, products and services that  
8 may be undertaken, exercised or offered by credit unions under sub. (1) are limited  
9 to those specified by rule of the commissioner. The commissioner may direct any  
10 credit union to cease any activity, the exercise of any power or the offering of any  
11 product or service authorized by rule ~~under this subsection~~. Among the factors that  
12 the commissioner may consider in so directing a credit union are the credit union's  
13 net worth, assets, management rating and liquidity ratio and its ratio of net worth  
14 to assets.

15           **SECTION 170.** 186.115 (2) of the statutes, as affected by 1995 Wisconsin Acts 27  
16 and ... (this act), is repealed and recreated to read:

17           186.115 **(2)** RULES. The activities, powers, products and services that may be  
18 undertaken, exercised or offered by credit unions under sub. (1) are limited to those  
19 specified by rule of the office of credit unions. The office of credit unions may direct  
20 any credit union to cease any activity, the exercise of any power or the offering of any  
21 product or service authorized by rule. Among the factors that the office of credit  
22 unions may consider in so directing a credit union are the credit union's net worth,  
23 assets, management rating and liquidity ratio and its ratio of net worth to assets.

24           **SECTION 171.** 186.115 (3) (title) of the statutes is created to read:

25           186.115 **(3)** (title) INSURANCE UNDERWRITING NOT AUTHORIZED.

1           **SECTION 172.** 186.117 (1) of the statutes is amended to read:

2           186.117 (1) (title) DEFINITION. ~~As used in In~~ this section, “business day” means  
3 a business day as defined in s. 421.301 (6) that is not a federal legal holiday.

4           **SECTION 173.** 186.117 (2) (title) of the statutes is created to read:

5           186.117 (2) (title) FUNDS AVAILABILITY.

6           **SECTION 174.** 186.118 (1) (title), (2) (title), (3) (title) and (4) (title) of the statutes  
7 are created to read:

8           186.118 (1) (title) DISCLOSURE STATEMENT.

9           (2) (title) WHEN REQUIRED.

10          (3) (title) AVAILABLE ON REQUEST.

11          (4) (title) OTHER INFORMATION.

12          **SECTION 175.** 186.119 of the statutes is repealed.

13          **SECTION 176.** 186.12 (1) (title), (2) (title) and (3) (title) of the statutes are  
14 created to read:

15          186.12 (1) (title) BOARD MEMBERS.

16          (2) (title) SURETIES.

17          (3) (title) EXPENDITURES.

18          **SECTION 177.** 186.13 of the statutes is amended to read:

19          **186.13 Expulsion.** ~~The~~ If the board of directors adopts a written policy, a  
20 credit union may expel a member ~~from the credit union who~~ if the member neglects  
21 or refuses to comply with this chapter or the credit union bylaws, or ~~for any~~ if the  
22 board has other just cause; ~~but no member may be expelled until the member has~~  
23 ~~been informed in writing of the charges against the member, and given an~~  
24 ~~opportunity, after reasonable notice, to be heard thereon.~~ The credit union shall  
25 provide notice to the member in writing of the reason for expulsion. The notice shall

1 include a description of the member's right to a hearing. If a member requests a  
2 hearing in writing, the board shall give the member an opportunity to be heard on  
3 the expulsion within 90 days after the date of the expulsion notice.

4 **SECTION 178.** 186.14 of the statutes is amended to read:

5 **186.14** (title) **Expelled member, rights and liabilities.** The amounts paid  
6 in on shares by members who have withdrawn or have been expelled shall be paid  
7 to them, but in the order of withdrawal or expulsion and only as funds therefor  
8 become available and after deducting any amounts due by said from the members  
9 to the credit union; ~~but such expulsion.~~ Expulsion or withdrawal shall not operate  
10 to relieve a member from any remaining liability to the credit union.

11 **SECTION 179.** 186.15 of the statutes is repealed and recreated to read:

12 **186.15 Auditing. (1) ANNUAL AUDIT.** Except as provided in sub. (2), the board  
13 of directors shall hire a licensed public accountant or other qualified person to  
14 conduct a comprehensive annual audit of the records, accounts and affairs of the  
15 credit union.

16 **(2) AUDIT COMMITTEE.** The board of directors may appoint an auditing  
17 committee of one or more capable persons to annually audit the records, accounts and  
18 cash of the credit union and to verify member accounts. Verification procedures shall  
19 be conducted according to the credit union's bylaws or the rules of the commissioner.

20 **(3) INDEPENDENT AUDIT.** The commissioner may order an independent audit at  
21 the credit union's expense if the commissioner finds an annual audit to be  
22 unsatisfactory.

23 **(4) AUDIT REPORTS.** Audit reports under this section shall be submitted to the  
24 board of directors and retained as records of the credit union.

1           **SECTION 180.** 186.15 (2) and (3) of the statutes, as affected by 1995 Wisconsin  
2 Act .... (this act), are amended to read:

3           186.15 (2) **AUDIT COMMITTEE.** The board of directors may appoint an auditing  
4 committee of one or more capable persons to annually audit the records, accounts and  
5 cash of the credit union and to verify member accounts. Verification procedures shall  
6 be conducted according to the credit union's bylaws or the rules of the ~~commissioner~~  
7 office of credit unions.

8           (3) **INDEPENDENT AUDIT.** The ~~commissioner~~ office of credit unions may order an  
9 independent audit at the credit union's expense if the ~~commissioner~~ office of credit  
10 unions finds an annual audit to be unsatisfactory.

11           **SECTION 181.** 186.16 (1) (title) of the statutes is created to read:

12           186.16 (1) (title) **BOARD ESTABLISHES DIVIDENDS.**

13           **SECTION 182.** 186.16 (2) of the statutes is amended to read:

14           186.16 (2) (title) MAXIMUM SET BY COMMISSIONER. The commissioner may  
15 establish the maximum dividend that a credit union and a corporate central credit  
16 union may pay in each classification of its savings.

17           **SECTION 183.** 186.16 (2) of the statutes, as affected by 1995 Wisconsin Acts 27  
18 and .... (this act), is repealed and recreated to read:

19           186.16 (2) **MAXIMUM SET BY OFFICE OF CREDIT UNIONS.** The office of credit unions  
20 may establish the maximum dividend that a credit union and a corporate central  
21 credit union may pay in each classification of its savings.

22           **SECTION 184.** 186.17 (1) of the statutes is repealed and recreated to read:

23           186.17 (1) **REGULAR RESERVES.** Semiannually, a credit union shall determine its  
24 gross income. From gross income, the credit union shall transfer to regular reserve  
25 amounts required under a schedule set by the national board.

1           **SECTION 185.** 186.17 (2) of the statutes is amended to read:

2           186.17 (2) (title) SPECIAL RESERVES. Special reserves may be required by the  
3 commissioner on an individual credit union basis ~~for purchased accounts or when~~  
4 ~~serious threat of impairment threatens regular reserve~~ or for a corporate central  
5 credit union.

6           **SECTION 186.** 186.17 (2) of the statutes, as affected by 1995 Wisconsin Acts 27  
7 and ... (this act), is repealed and recreated to read:

8           186.17 (2) SPECIAL RESERVES. Special reserves may be required by the office of  
9 credit unions on an individual credit union basis or for a corporate central credit  
10 union.

11           **SECTION 187.** 186.17 (3) of the statutes is repealed.

12           **SECTION 188.** 186.18 of the statutes is amended to read:

13           **186.18 Dissolution.** Upon ~~the unanimous~~ a two-thirds recommendation of  
14 the board of directors, the members may vote to dissolve the credit union. If a  
15 majority of the total membership vote by ballot, in person or by letter or other written  
16 communication in favor of dissolution, and if not more than the greater of 15  
17 members or 10% of the total membership, whichever is greater, by written notice,  
18 vote against dissolution, the credit union shall be dissolved. If both the number of  
19 votes in favor of dissolution and the number of votes against dissolution are each less  
20 than ~~50%~~ 25% of the total number of members, the board of directors may, with the  
21 permission of the commissioner, ~~cause written notice to be mailed~~ mail to each  
22 member at the member's last-known address a written notice which ~~expressly~~ states  
23 that the board's proposal to dissolve the credit union will be approved or disapproved  
24 at a special or annual meeting to be held at the time and place specified in the notice.  
25 The credit union shall be dissolved only if a majority of the members present at the



1 meeting vote in favor of the board's proposal to dissolve the credit union. If the  
2 members vote to dissolve the credit union, a committee of 3 shall be elected by the  
3 members to liquidate the assets of the credit union. After assets are liquidated and  
4 debts paid, members shall be paid a liquidating dividend in proportion to their  
5 savings from remaining assets. The committee in charge of liquidation may sell or  
6 dispose of the assets in whole or in part at a public or private sale subject to  
7 confirmation by the board of directors and the commissioner.

8 **SECTION 189.** 186.18 of the statutes, as affected by 1995 Wisconsin Acts 27 and  
9 .... (this act), is repealed and recreated to read:

10 **186.18 Dissolution.** Upon a two-thirds recommendation of the board of  
11 directors, the members may vote to dissolve the credit union. If a majority of the total  
12 membership vote by ballot, in person or by letter or other written communication in  
13 favor of dissolution, and if not more than the greater of 15 members or 10% of the total  
14 membership, by written notice, vote against dissolution, the credit union shall be  
15 dissolved. If both the number of votes in favor of dissolution and the number of votes  
16 against dissolution are each less than 25% of the total number of members, the board  
17 of directors may, with the permission of the office of credit unions, mail to each  
18 member at the member's last-known address a written notice which states that the  
19 board's proposal to dissolve the credit union will be approved or disapproved at a  
20 special or annual meeting to be held at the time and place specified in the notice. The  
21 credit union shall be dissolved only if a majority of the members present at the  
22 meeting vote in favor of the board's proposal to dissolve the credit union. If the  
23 members vote to dissolve the credit union, a committee of 3 shall be elected by the  
24 members to liquidate the assets of the credit union. After assets are liquidated and  
25 debts paid, members shall be paid a liquidating dividend in proportion to their

1 savings from remaining assets. The committee in charge of liquidation may sell or  
2 dispose of the assets in whole or in part at a public or private sale subject to  
3 confirmation by the board of directors and the office of credit unions.

4 **SECTION 190.** 186.19 of the statutes is repealed and recreated to read:

5 **186.19 Bonding requirement. (1) OFFICER BONDS.** A credit union shall  
6 maintain the necessary bonds for officers according to standards prescribed by the  
7 national board.

8 **(2) DIRECTOR BONDS.** A credit union shall maintain the necessary bonds for  
9 directors according to standards prescribed in the bylaws.

10 **SECTION 191.** 186.21 (1) of the statutes is amended to read:

11 186.21 **(1)** (title) OFFICE TO COOPERATE. It shall be the duty of the office of the  
12 commissioner of credit unions to promote the extension of credit at the lowest  
13 possible rates and cooperate with every group of people who may be or may become  
14 that is interested in the formation and development of, or in an affiliation with, a  
15 credit union in this state for that purpose, and it. The commissioner's office may do  
16 all things reasonably necessary for the discharge of this duty.

17 **SECTION 192.** 186.21 (1) of the statutes, as affected by 1995 Wisconsin Acts 27  
18 and ... (this act), is repealed and recreated to read:

19 186.21 **(1)** OFFICE TO COOPERATE. It shall be the duty of the office of credit unions  
20 to cooperate with every group of people that is interested in the formation of, or in  
21 an affiliation with, a credit union in this state. The office of credit unions may do all  
22 things reasonably necessary for the discharge of this duty.

23 **SECTION 193.** 186.21 (2) of the statutes is amended to read:

24 186.21 **(2)** (title) ADVERTISING. The office of the commissioner of credit unions  
25 shall carry on use advertising of whatever character that is most suitable and

1 effective to acquaint the people of this state with the agencies and organizations  
2 dealing in consumer credit, and of the rates of interest, the condition of loans, the  
3 benefits and safeguards and the savings features of each such type, agency and  
4 organization with credit unions.

5 **SECTION 194.** 186.21 (2) of the statutes, as affected by 1995 Wisconsin Acts 27  
6 and ... (this act), is repealed and recreated to read:

7 186.21 (2) ADVERTISING. The office of credit unions shall use advertising that  
8 is suitable and effective to acquaint the people of this state with the agencies and  
9 organizations dealing with credit unions.

10 **SECTION 195.** 186.21 (3) of the statutes is amended to read:

11 186.21 (3) (title) CONSULTATIONS. The office of the commissioner of credit unions  
12 shall further offer without charge to any group, either joined in a credit union or  
13 considering such an organization, whatever advice and direction on accounting  
14 practice practices and managerial problems ~~that may be~~ needed.

15 **SECTION 196.** 186.21 (3) of the statutes, as affected by 1995 Wisconsin Acts 27  
16 and ... (this act), is repealed and recreated to read:

17 186.21 (3) CONSULTATIONS. The office of credit unions shall offer without charge  
18 to any group, either joined in a credit union or considering such an organization,  
19 advice and direction on accounting practices and managerial problems.

20 **SECTION 197.** 186.21 (4) of the statutes is amended to read:

21 186.21 (4) (title) MATERIALS. The office of the commissioner of credit unions  
22 shall provide application blanks, model bylaws, and whatever other material may be  
23 ~~needed or helpful~~ materials to help in the organization, efficient functioning and  
24 expansion of credit unions.

1           **SECTION 198.** 186.21 (4) of the statutes, as affected by 1995 Wisconsin Acts 27  
2 and .... (this act), is repealed and recreated to read:

3           186.21 (4) MATERIALS. The office of credit unions shall provide application  
4 blanks, model bylaws and other materials to help in the organization, efficient  
5 functioning and expansion of credit unions.

6           **SECTION 199.** 186.22 (11) of the statutes is amended to read:

7           186.22 (11) OATH OF DIRECTORS. Each director, when appointed or elected, shall  
8 take an oath that the director will, so far as the duty devolves upon the director  
9 requires, diligently and honestly administer the affairs of the credit union finance  
10 corporation, and will not knowingly violate, or willingly permit to be violated, any  
11 of the provisions of law applicable to such the corporation, and that the director is  
12 the owner, in good faith and in the director's own right on the books of the nominating  
13 credit union ~~which nominated the director~~, of shares in value of not less than \$100,  
14 or other shares of the withdrawal value of \$100, and that the ~~same is~~ shares are not  
15 hypothecated, or in any way pledged as security for any loan or debt and, in case of  
16 reelection that ~~such share was~~ the shares were not hypothecated or in any way  
17 pledged as security for any loan or debt during the director's previous term. ~~Such~~  
18 The oath shall be subscribed by the directors and officers making it, and certified by  
19 an officer authorized by law to administer oaths, and immediately transmitted to the  
20 commissioner.

21           **SECTION 200.** 186.22 (11) of the statutes, as affected by 1995 Wisconsin Acts 27  
22 and .... (this act), is repealed and recreated to read:

23           186.22 (11) OATH OF DIRECTORS. Each director, when appointed or elected, shall  
24 take an oath that the director will, so far as duty requires, diligently and honestly  
25 administer the affairs of the credit union finance corporation, and will not knowingly

1 violate, or willingly permit to be violated, any of the provisions of law applicable to  
2 the corporation, and that the director is the owner, in good faith and on the books of  
3 the nominating credit union, of shares in value of not less than \$100, or other shares  
4 of the withdrawal value of \$100, and that the shares are not hypothecated, or in any  
5 way pledged as security for any loan or debt and, in case of reelection that the shares  
6 were not hypothecated or in any way pledged as security for any loan or debt during  
7 the director's previous term. The oath shall be subscribed by the directors and  
8 officers making it, and certified by an officer authorized by law to administer oaths,  
9 and immediately transmitted to the office of credit unions.

10 **SECTION 201.** 186.23 of the statutes is renumbered 186.235 (8) and amended  
11 to read:

12 186.235 (8) (title) ~~RULES AND REGULATIONS~~. The commissioner shall, with the  
13 approval of the credit union review board, ~~issue orders prescribing reasonable~~  
14 promulgate rules and regulations in conducting relating to the business of credit  
15 unions ~~or corporations operating as provided in this chapter and it may in like~~  
16 ~~manner issue orders amending, modifying, repealing or supplementing rules or~~  
17 ~~orders. The violation of any such rule may be cause for the removal of any officer,~~  
18 ~~director or employe of any credit union or corporation.~~

19 **SECTION 202.** 186.235 (title) of the statutes, as affected by 1995 Wisconsin Acts  
20 27 and .... (this act), is repealed and recreated to read:

21 **186.235 (title) Office of credit unions.**

22 **SECTION 203.** 186.235 (1) of the statutes is created to read:

23 186.235 (1) SUPERVISION. A credit union shall be under the control and  
24 supervision of the commissioner.

1           **SECTION 204.** 186.235 (1) of the statutes, as created by 1995 Wisconsin Act ...  
2 (this act), is amended to read:

3           186.235 (1) SUPERVISION. A credit union shall be under the control and  
4 supervision of the ~~commissioner~~ office of credit unions.

5           **SECTION 205.** 186.235 (1m) of the statutes, as affected by 1995 Wisconsin Acts  
6 27 and ... (this act), is repealed.

7           **SECTION 206.** 186.235 (2) of the statutes, as affected by 1995 Wisconsin Acts  
8 27 and ... (this act), is repealed and recreated to read:

9           186.235 (2) ENFORCEMENT. The office of credit unions shall enforce this chapter  
10 and other laws relating to credit unions.

11           **SECTION 207.** 186.235 (3) of the statutes is created to read:

12           186.235 (3) FULL-TIME DUTIES. The commissioner and deputy commissioner  
13 shall devote full time to their respective positions.

14           **SECTION 208.** 186.235 (3) of the statutes, as created by 1995 Wisconsin Act ...  
15 (this act), is amended to read:

16           186.235 (3) FULL-TIME DUTIES. ~~The commissioner and deputy commissioner~~  
17 administrator of the office of credit unions shall devote full time to ~~their respective~~  
18 positions his or her position.

19           **SECTION 209.** 186.235 (3m) of the statutes is created to read:

20           186.235 (3m) CONFLICTS OF INTEREST. The commissioner, or any employe of the  
21 office of the commissioner, may not serve as a director or officer of a credit union or  
22 any other organization that is under the supervision of the office of the commissioner.

23           **SECTION 210.** 186.235 (3m) of the statutes, as created by 1995 Wisconsin Act  
24 .... (this act), is amended to read:

1           186.235 (3m) CONFLICTS OF INTEREST. ~~The commissioner, or any~~ No employe of  
2           the office of the commissioner, credit unions may not serve as a director or officer of  
3           a credit union or any other organization that is under the supervision of the office  
4           of the commissioner credit unions.

5           **SECTION 211.** 186.235 (4) of the statutes is created to read:

6           186.235 (4) BOND REQUIRED. A person who is appointed to or employed by the  
7           office of the commissioner shall furnish a surety bond in an amount authorized by  
8           the commissioner.

9           **SECTION 212.** 186.235 (4) of the statutes, as created by 1995 Wisconsin Act ...  
10          (this act), is amended to read:

11          186.235 (4) BOND REQUIRED. A person who is appointed to or employed by the  
12          office of ~~the commissioner~~ credit unions shall furnish a surety bond in an amount  
13          authorized by the ~~commissioner~~ office.

14          **SECTION 213.** 186.235 (5) of the statutes, as affected by 1995 Wisconsin Act ...  
15          (this act), is amended to read:

16          186.235 (5) (title) IMMUNITY OF ~~COMMISSIONER~~ OFFICE OF CREDIT UNIONS. ~~The~~  
17          ~~commissioner~~ office of credit unions shall not be subject to any civil liability or  
18          penalty, or to any criminal prosecution, for any error in judgment or discretion made  
19          in good faith and upon reasonable grounds in any action taken or omitted by the  
20          ~~commissioner~~ office of credit unions in an official capacity.

21          **SECTION 214.** 186.235 (7) (a) (intro.) of the statutes, as affected by 1995  
22          Wisconsin Act ... (this act), is amended to read:

23          186.235 (7) (a) (intro.) ~~The commissioner, all other officers and employes~~  
24          Employes of the office of the ~~commissioner~~, credit unions and members of the review

1 board shall keep secret all the facts and information obtained in the course of  
2 examinations, except in any of the following situations:

3 **SECTION 215.** 186.235 (7) (b) of the statutes, as affected by 1995 Wisconsin Act  
4 .... (this act), is amended to read:

5 186.235 (7) (b) Notwithstanding par. (a) and unless otherwise provided by rule,  
6 the ~~commissioner~~ office of credit unions may do any of the following:

7 1. Furnish to the national board a copy of any examination made by the  
8 ~~commissioner's~~ office of credit unions of any credit union or of any report made by  
9 the credit union.

10 2. Give access to and disclose to the national board any information possessed  
11 by the ~~commissioner~~ office of credit unions about the conditions or affairs of any  
12 credit union whose savings are insured by federal share insurance.

13 **SECTION 216.** 186.235 (8) of the statutes, as affected by 1995 Wisconsin Act ....  
14 (this act), is repealed and recreated to read:

15 186.235 (8) RULES. The office of credit unions shall, with the approval of the  
16 credit union review board, promulgate rules relating to the business of credit unions.

17 **SECTION 217.** 186.235 (9) of the statutes is created to read:

18 186.235 (9) CHARTER REVOCATION. The commissioner shall report to the  
19 department of justice any credit union that conducts its business in violation of this  
20 chapter. The department of justice may bring an action to revoke the credit union's  
21 articles of incorporation.

22 **SECTION 218.** 186.235 (9) of the statutes, as created by 1995 Wisconsin Act ....  
23 (this act), is amended to read:

24 186.235 (9) CHARTER REVOCATION. The ~~commissioner~~ office of credit unions shall  
25 report to the department of justice any credit union that conducts its business in



1 violation of this chapter. The department of justice may bring an action to revoke the  
2 credit union's articles of incorporation.

3 **SECTION 219.** 186.235 (10) of the statutes is created to read:

4 186.235 (10) REMOVAL. (a) The commissioner may remove an officer, director,  
5 committee member or employe of a credit union if any of the following applies:

6 1. The policies or practices of the officer, director, committee member or  
7 employe are prejudicial to the best interest of the credit union, endanger or will  
8 endanger the safety or solvency of the credit union, or impair the interests of the  
9 members.

10 2. The officer, director, committee member or employe violates or permits the  
11 violation of this chapter, a rule promulgated under this chapter or an order of the  
12 commissioner.

13 (b) An officer, director, committee member or employe removed by the  
14 commissioner under par. (a) shall be given an opportunity for a hearing before the  
15 review board within 30 days after the date on which the removal order is issued.

16 (c) An order of removal takes effect on the date on which it is issued. A copy  
17 of the order shall be served upon the credit union and upon the officer, director,  
18 committee member or employe in the manner provided by law or by mailing a copy  
19 to the credit union and officer, director, committee member or employe at their  
20 last-known post-office addresses. An officer, director, committee member or  
21 employe who is removed from office or employment under this subsection may not  
22 be elected as an officer or director of, or be employed by, a credit union without the  
23 approval of the commissioner and the review board. An order of removal under this  
24 subsection is a final order or determination of the review board under s. 186.015.

1 (d) The commissioner may appoint any member of the credit union to fill a  
2 vacancy caused by a removal under this subsection. The person who is appointed  
3 shall hold office until the next annual meeting of the membership.

4 **SECTION 220.** 186.235 (10) (a) (intro.) of the statutes, as created by 1995  
5 Wisconsin Act .... (this act), is amended to read:

6 186.235 (10) (a) (intro.) The ~~commissioner~~ office of credit unions may remove  
7 an officer, director, committee member or employe of a credit union if any of the  
8 following applies:

9 **SECTION 221.** 186.235 (10) (a) 2. of the statutes, as created by 1995 Wisconsin  
10 Act .... (this act), is amended to read:

11 186.235 (10) (a) 2. The officer, director, committee member or employe  
12 violates or permits the violation of this chapter, a rule promulgated under this  
13 chapter or an order of the ~~commissioner~~ office of credit unions.

14 **SECTION 222.** 186.235 (10) (b) of the statutes, as created by 1995 Wisconsin Act  
15 .... (this act), is amended to read:

16 186.235 (10) (b) An officer, director, committee member or employe removed by  
17 the ~~commissioner~~ office of credit unions under par. (a) shall be given an opportunity  
18 for a hearing before the review board within 30 days after the date on which the  
19 removal order is issued.

20 **SECTION 223.** 186.235 (10) (c) of the statutes, as created by 1995 Wisconsin Act  
21 .... (this act), is amended to read:

22 186.235 (10) (c) An order of removal takes effect on the date on which it is  
23 issued. A copy of the order shall be served upon the credit union and upon the officer,  
24 director, committee member or employe in the manner provided by law or by mailing  
25 a copy to the credit union and officer, director, committee member or employe at their

1 last-known post-office addresses. An officer, director, committee member or  
2 employe who is removed from office or employment under this subsection may not  
3 be elected as an officer or director of, or be employed by, a credit union without the  
4 approval of the ~~commissioner~~ office of credit unions and the review board. An order  
5 of removal under this subsection is a final order or determination of the review board  
6 under s. 186.015.

7 **SECTION 224.** 186.235 (10) (d) of the statutes, as created by 1995 Wisconsin Act  
8 .... (this act), is amended to read:

9 186.235 (10) (d) The ~~commissioner~~ office of credit unions may appoint any  
10 member of the credit union to fill a vacancy caused by a removal under this  
11 subsection. The person who is appointed shall hold office until the next annual  
12 meeting of the membership.

13 **SECTION 225.** 186.235 (11) of the statutes, as affected by 1995 Wisconsin Act  
14 .... (this act), is repealed and recreated to read:

15 186.235 (11) POSSESSION BY OFFICE. (a) *Conditions for taking possession.* The  
16 office of credit unions may take possession and control of the business and property  
17 of any credit union if the credit union violates this chapter or if the credit union does  
18 any of the following:

- 19 1. Conducts its business contrary to law.
- 20 2. Violates its charter, or any law.
- 21 3. Conducts its business in an unauthorized or unsafe manner.
- 22 4. Has an impairment of its capital.
- 23 5. Suspends payment of its obligations.
- 24 6. Neglects or refuses to comply with the terms of an order of the office of credit  
25 unions.

1           7. Refuses to submit its books, papers, records, accounts or affairs for inspection  
2 to a credit union examiner.

3           8. Refuses to be examined upon oath regarding its affairs.

4           9. Receives notice of intent to terminate insured status by the national board.

5           (b) *Suspension.* 1. The office of credit unions may suspend, for a period of up  
6 to 120 days, an officer, director, committee member or employe of a credit union from  
7 engaging in credit union business if the office of credit unions finds the existence of  
8 any condition under par. (a) 1. to 9. The office of credit unions may renew a  
9 suspension under this subdivision any number of times and for periods of up to 120  
10 days if the office of credit unions finds that the condition or conditions continue to  
11 exist.

12           2. The office of credit unions shall suspend the business of a credit union, other  
13 than a corporate central credit union, if the credit union does not comply with s.  
14 186.34.

15           (c) *Possession by office of credit unions.* 1. The office of credit unions may take  
16 possession of the business and property of a credit union if the office finds the  
17 existence of any condition under par. (a) 1. to 9.

18           2. The office of credit unions shall take possession of the business and property  
19 of a credit union that violates s. 186.34, unless the office approves a merger under  
20 s. 186.31.

21           (d) *Procedure on taking possession.* Upon taking possession of the business and  
22 property of a credit union, the office of credit unions shall:

23           1. Serve a notice in writing upon the president and secretary of the credit union  
24 stating that the office of credit unions has taken possession and control of the  
25 business and property of the credit union. The notice shall be executed in duplicate,

1 and immediately after service, one of the notices shall be filed with the clerk of the  
2 circuit court of the county in which the credit union is located together with proof of  
3 service.

4 2. Give notice to all individuals, partnerships, corporations, limited liability  
5 companies and associations known to the office of credit unions to be holding or in  
6 possession of any assets of the credit union.

7 (dg) *Special deputies.* The office of credit unions may appoint one or more  
8 special deputies as agent to assist in the duty of liquidation and distribution of the  
9 assets of one or more credit unions whose business and property the office of credit  
10 unions holds. A certificate of appointment shall be filed in the office of credit unions  
11 and a certified copy in the office of the clerk of the circuit court for the county in which  
12 the credit union is located. The office of credit unions may employ counsel and  
13 procure expert assistance and advice as necessary in the liquidation and distribution  
14 of the assets of the credit union, and may retain any officers or employes of the credit  
15 union that the office of credit unions considers to be necessary. The special deputies  
16 and assistants shall furnish security for the faithful discharge of their duties in an  
17 amount that the office of credit unions considers to be necessary. The special  
18 deputies may execute, acknowledge and deliver any deeds, assignments, releases or  
19 other instruments necessary to effect any sale and transfer or incumbrance of real  
20 estate or personal property and may borrow money for use in the liquidation after  
21 the liquidation has been approved by the office of credit unions and an order obtained  
22 from the circuit court of the county in which the credit union is located.

23 (dr) *Special deputy duties.* Upon taking possession of the property and  
24 business of the credit union, a special deputy is authorized to collect all moneys due  
25 to the credit union, and to do other acts necessary to conserve its assets and business,

1 and shall proceed to liquidate the affairs of the credit union. The special deputy shall  
2 collect all debts due and claims belonging to the credit union, and upon a petition  
3 approved by the office of credit unions and upon order of the circuit court of the county  
4 in which the credit union is located, may sell or compound all bad or doubtful debts,  
5 or do any act or execute any other necessary instruments and upon petition and order  
6 may sell all the real and personal property of the credit union on such terms as the  
7 court shall approve.

8 (e) *Notice, allowance and payment of claims.* The special deputy shall publish  
9 a class 3 notice, under ch. 985, calling on all persons who may have a claim against  
10 the credit union to present the claim to the special deputy and make legal proof of  
11 the claim at a place and within a time, not earlier than the last day of publication,  
12 to be specified in the notice. The special deputy shall mail a similar notice to all  
13 persons, at their last-known address, whose names appear as creditors upon the  
14 books of the credit union. Proof of service of the notice shall be filed with the clerk  
15 of court. The special deputy may reject any claim. Any party interested may also  
16 file written objections to any claim with the special deputy and, after notice by  
17 registered mail of the rejection, the claimant shall be barred unless the claimant  
18 commences an action on the claim within 3 months. Claims presented after the  
19 expiration of the time fixed in the notice shall be entitled to an equitable share from  
20 the distribution of any assets remaining in the hands of the special deputy after  
21 properly filed claims have been paid.

22 (f) *Inventory of assets and statement of liabilities.* Upon taking possession of  
23 the property and assets of the credit union, the special deputy shall make an  
24 inventory of the assets of the credit union, in duplicate, one to be filed in the office  
25 of credit unions and one in the office of the clerk of circuit court for the county in which

1 the credit union is located. Upon the expiration of the time fixed for the presentation  
2 of claims, the special deputy shall make in duplicate a full and complete list of the  
3 claims presented, including and specifying the claims rejected by the special deputy,  
4 one to be filed in the office of credit unions, and one in the office of the clerk of circuit  
5 court for the county in which the credit union is located. The inventory and list of  
6 claims shall be open at all reasonable times to inspection.

7 (g) *Adjustment of loans and withdrawal value of shares.* The value of shares  
8 pledged upon a loan to the credit union shall be applied and credited to the loan and  
9 the borrower shall be liable only for the balance. The rate of interest charged upon  
10 the balance shall be the legal rate. Upon the approval of the value by the office of  
11 credit unions and the circuit court of the county in which the credit union is located,  
12 the book value of each member may be reduced proportionately. At least 5 days'  
13 written notice of the determination of value shall be given to all shareholders of the  
14 time and place the value shall be submitted to the circuit court for approval.  
15 Approval of the circuit court shall be by an order entered under s. 807.11 (2). Any  
16 stockholder or creditor of the credit union aggrieved by the determination of value  
17 may appeal to the court of appeals.

18 (h) *Compensation and expenses in connection with liquidation.* The  
19 compensation of the special deputies, counsel and other employes and assistants,  
20 and all expenses of supervision and liquidation shall be fixed by the office of credit  
21 unions, subject to the approval of the circuit court for the county in which the credit  
22 union is located, and shall upon the certificate of the office of credit unions be paid  
23 out of the funds of the credit union. Expenses of supervision and liquidation include  
24 the cost of the services rendered by the office of credit unions to the credit union being  
25 liquidated. The cost of these services shall be determined by the office of credit

1 unions and paid to the office from the assets of the credit union as other expenses  
2 of liquidation are paid. The moneys collected by the special deputy shall be deposited  
3 in a corporate central credit union, and, in case of the suspension or insolvency of a  
4 depository, such deposits shall be preferred before all other deposits.

5 (i) *Liquidating dividends.* At any time after the expiration of the date fixed for  
6 the presentation of claims, the special deputy in charge of the liquidation of the credit  
7 union may, upon a petition approved by the office of credit unions and an order of the  
8 circuit court of the county in which the credit union is located, out of the funds  
9 remaining, after the payment of expenses and debts, declare one or more dividends,  
10 and may declare a final dividend to be paid to such persons, and in such amounts as  
11 may be directed by the circuit court.

12 (j) *Title passes to office of credit unions.* Immediately upon filing the notice  
13 under par. (d), the possession of all assets and property of the credit union shall be  
14 considered to be transferred from the credit union to and assumed by the office of  
15 credit unions. The filing of the notice shall of itself, and without the execution or  
16 delivery of any instruments of conveyance, assignment, transfer or endorsement,  
17 vest the title to all such assets and property in the office of credit unions. The filing  
18 shall also operate as a bar to any attachment, garnishment, execution or other legal  
19 proceedings against the credit union, or its assets and property, or its liabilities.

20 (k) *Effect of possession.* No credit union shall have a lien, or charge for any  
21 payment, advance or clearance made, or liability thereafter incurred, against any of  
22 the assets of the credit union of whose property and business the office of credit  
23 unions shall have taken possession.

24 (L) *Appeal.* If a credit union whose property and business the office of credit  
25 unions has taken possession of considers itself aggrieved by the office's action, it may,



1 at any time within 30 days after the date of the taking, appeal to the credit union  
2 review board for relief from the possession by the office of credit unions. If the credit  
3 union review board sustains the office of credit unions, the credit union may, at any  
4 time within 30 days after the decision of the credit union review board, apply to the  
5 circuit court of the county in which the credit union is located to enjoin further  
6 proceedings. The court, after citing the office of credit unions to show cause why  
7 further proceedings should not be enjoined and after hearing all allegations and  
8 proofs of the parties and determining the facts, may upon the merits dismiss the  
9 application or enjoin the office of credit unions from further proceedings, and may  
10 direct the office to surrender the business and property to the credit union.

11 (m) *Reinstatement.* After the office of credit unions takes over the possession  
12 and control of the business and property of a credit union, the credit union may  
13 resume business if all of the following apply:

14 1. The owners of at least two-thirds of the credit union dollar value of  
15 outstanding shares execute a petition to resume business, the form of which petition  
16 shall be prescribed by the office of credit unions.

17 2. There is submitted to the office of credit unions by the shareholders, or a  
18 committee selected by them, a plan for the reorganization and reinstatement of the  
19 credit union.

20 3. A request for continuation of federal share insurance has been submitted and  
21 accepted.

22 4. The office of credit unions recommends that control of the business and  
23 property of the credit union be returned to the shareholders.

24 5. The court in which the liquidation is pending, upon application of the office  
25 of credit unions, makes an order approving the office's recommendations, which

1 order shall contain a finding that the credit union will be in a safe and sound  
2 condition when control is resumed by the shareholders.

3 (n) *Reinstatement upon restricted basis.* In addition to the procedure under par.  
4 (m), a credit union may resume business upon a restricted basis, and upon such  
5 limitations and conditions as may be prescribed by the office of credit unions when  
6 approved by the circuit court for the county in which the credit union is located, upon  
7 application of the office of credit unions. The restrictions and conditions may include  
8 a prohibition against the selling of new shares, reasonable restrictions upon  
9 withdrawals and the payment of other liabilities. On approval, the credit union shall  
10 be relieved from the control and supervision of the office of credit unions, but the  
11 approval does not prohibit the office from again proceeding against the credit union  
12 if conditions warrant the office's action.

13 (p) *Liquidating dividends and unclaimed funds.* 1. The special deputy shall  
14 deposit unclaimed liquidating dividends and unclaimed funds remaining unpaid in  
15 the hands of the special deputy for 6 months after the order for final distribution in  
16 a corporate central credit union in the name of the office of credit unions in trust for  
17 the shareholders and creditors of the liquidated credit union. The office of credit  
18 unions shall annually report to the governor and the chief clerk of each house of  
19 legislature for distribution to the legislature under s. 13.172 (2) the names of credit  
20 unions of which the office of credit unions has taken possession and liquidated, and  
21 the sums of unclaimed and unpaid liquidating dividends and unclaimed funds with  
22 respect to each of the credit unions and include a statement of interest earned upon  
23 those funds.

24 2. The office of credit unions may pay over the funds held by the office of credit  
25 unions under subd. 1. to the persons entitled to the funds, upon being furnished

1 satisfactory evidence of their right to the funds. In case of doubt or conflicting claims,  
2 the office of credit unions may require an order of the circuit court authorizing  
3 payment. The office of credit unions may apply the interest earned by the funds  
4 toward defraying the expenses in the payment and distribution of unclaimed  
5 liquidating dividends and unclaimed funds to the stockholders and creditors entitled  
6 to receive the dividends and funds.

7 3. One year after the date of the order for final distribution, the office of credit  
8 unions shall report and deliver to the state treasurer all unclaimed funds as provided  
9 in ch. 177. All claims subsequently arising shall be presented to the office of credit  
10 unions. If the office of credit unions determines that any claim should be allowed,  
11 the office shall certify to the department of administration the name and address of  
12 the person entitled to payment and the amount of the payment and shall attach the  
13 claim to the certificate. The department of administration shall certify the claim to  
14 the state treasurer for payment.

15 **SECTION 226.** 186.235 (11) (m) 3. of the statutes is created to read:

16 186.235 (11) (m) 3. A request for continuation of federal share insurance has  
17 been submitted and accepted.

18 **SECTION 227.** 186.235 (12) of the statutes is created to read:

19 186.235 (12) ANNUAL REPORT. (a) The commissioner shall submit to the  
20 governor, and to the legislature under s. 13.172 (2), an annual report on the general  
21 conduct and condition of credit unions doing business in this state. The report shall  
22 be based upon the individual annual reports filed with the commissioner.

23 (b) The commissioner shall designate the number of copies of the report to be  
24 made available for general distribution. Each credit union is entitled to one copy.

1           **SECTION 228.** 186.235 (12) of the statutes, as created by 1995 Wisconsin Act ...  
2 (this act), is amended to read:

3           186.235 (12) ANNUAL REPORT. (a) ~~The commissioner~~ office of credit unions shall  
4 submit to the governor, and to the legislature under s. 13.172 (2), an annual report  
5 on the general conduct and condition of credit unions doing business in this state.  
6 The report shall be based upon the individual annual reports filed with the  
7 ~~commissioner~~ office of credit unions.

8           (b) ~~The commissioner~~ office of credit unions shall designate the number of  
9 copies of the report to be made available for general distribution. Each credit union  
10 is entitled to one copy.

11           **SECTION 229.** 186.235 (13) of the statutes is created to read:

12           186.235 (13) FEES FOR OFFICE PUBLICATIONS. (a) Whenever copies of reprints of  
13 this chapter, the annual report of credit unions or any other publication published  
14 by the office of the commissioner are requested, copies shall be furnished upon  
15 payment of any fee established by the commissioner.

16           (b) Upon request, the commissioner may distribute copies of materials  
17 described under par. (a) free to agencies or legislators of this state or any other state,  
18 county clerks, the courts of this state, trade organizations and any agencies of the  
19 United States.

20           **SECTION 230.** 186.235 (13) of the statutes, as created by 1995 Wisconsin Act ...  
21 (this act), is amended to read:

22           186.235 (13) FEES FOR OFFICE PUBLICATIONS. (a) Whenever copies of reprints of  
23 this chapter, the annual report of credit unions or any other publication published  
24 by the office of ~~the commissioner~~ credit unions are requested, copies shall be

1 furnished upon payment of any fee established by the ~~commissioner~~ office of credit  
2 unions.

3 (b) Upon request, the ~~commissioner~~ office of credit unions may distribute copies  
4 of materials described under par. (a) free to agencies or legislators of this state or any  
5 other state, county clerks, the courts of this state, trade organizations and any  
6 agencies of the United States.

7 **SECTION 231.** 186.235 (14) (a), (b) and (e) of the statutes, as affected by 1995  
8 Wisconsin Act .... (this act), are amended to read:

9 186.235 (14) (a) The ~~commissioner~~ office of credit unions, with the approval  
10 of the credit union review board, shall fix the amounts to be assessed against credit  
11 unions for their supervision and examinations under this chapter. Amounts shall be  
12 determined and paid as provided in this subsection.

13 (b) On or before July 15 of each year, each credit union shall pay to the office  
14 of the ~~commissioner~~ credit unions an annual assessment, which shall represent as  
15 nearly as practicable its fair share of the maintenance of the office of the  
16 ~~commissioner~~ credit unions.

17 (e) If the amounts collected under this subsection exceed the actual amounts  
18 necessary for the supervision and examination of credit unions in a year, the excess  
19 shall be retained by the ~~commissioner~~ office of credit unions and applied in reducing  
20 the amounts chargeable for ensuing years.

21 **SECTION 232.** 186.235 (15) of the statutes is created to read:

22 186.235 (15) TESTIMONIAL POWERS. (a) The office of the commissioner may issue  
23 subpoenas and take testimony.

24 (b) Witness fees shall be the same as fees under s. 814.67 (1) (b) and (c). The  
25 fees of witnesses who are called by the office in the interests of the state shall be paid

1 by the state upon presentation of proper vouchers approved by the commissioner and  
2 charged to the appropriation under s. 20.141 (1) (g). A witness subpoenaed by the  
3 office at the instance of a party other than the office shall not be entitled to payment  
4 of fees by the state unless the office certifies that the testimony was material to the  
5 purpose for which the subpoena was issued.

6 **SECTION 233.** 186.235 (15) (a) of the statutes, as created by 1995 Wisconsin Act  
7 .... (this act), is amended to read:

8 186.235 (15) (a) The office of ~~the commissioner~~ credit unions may issue  
9 subpoenas and take testimony.

10 **SECTION 234.** 186.235 (16) of the statutes, as affected by 1995 Wisconsin Act  
11 .... (this act), is amended to read:

12 186.235 (16) ANNUAL EXAMINATION. (a) At least once each year, the  
13 ~~commissioner~~ office of credit unions shall examine the records and accounts of each  
14 credit union. For that purpose the ~~commissioner or the examiners appointed by the~~  
15 ~~commissioner~~ office of credit unions shall have full access to, and may compel the  
16 production of, each credit union's records and accounts. They may administer oaths  
17 to and examine each credit union's officers and agents.

18 (b) Instead of an annual examination of a credit union under par. (a), the  
19 ~~commissioner~~ office of credit unions may accept an audit report of the condition of  
20 the credit union made by a certified public accountant not an employe of the credit  
21 union in accordance with rules promulgated by the ~~commissioner~~ office of credit  
22 unions or may accept an examination or audit made or approved by the national  
23 board.

24 **SECTION 235.** 186.235 (17) of the statutes is created to read:

1           186.235 (17) REFUSAL TO SUBMIT TO EXAMINATION. The commissioner shall report  
2 to the department of justice any credit union that refuses to submit to an  
3 examination. The department of justice shall institute proceedings to revoke the  
4 charter of the credit union.

5           **SECTION 236.** 186.235 (17) of the statutes, as created by 1995 Wisconsin Act ...  
6 (this act), is amended to read:

7           186.235 (17) REFUSAL TO SUBMIT TO EXAMINATION. The ~~commissioner~~ office of  
8 credit unions shall report to the department of justice any credit union that refuses  
9 to submit to an examination. The department of justice shall institute proceedings  
10 to revoke the charter of the credit union.

11           **SECTION 237.** 186.235 (18) of the statutes, as affected by 1995 Wisconsin Act  
12 .... (this act), is amended to read:

13           186.235 (18) RECORD-KEEPING AND ACCOUNTING PROCEDURE. (a) A credit union  
14 shall keep records and accounts in a manner consistent with generally accepted  
15 accounting principles or with standards prescribed by the ~~commissioner~~ office of  
16 credit unions. If a credit union does not keep its records and accounts in a manner  
17 consistent with generally accepted accounting principles, the ~~commissioner~~ office of  
18 credit unions may require the credit union to keep records and accounts under  
19 standards prescribed by the ~~commissioner~~ office.

20           (b) The ~~commissioner~~ office of credit unions may require a credit union that  
21 fails to open records or maintain prescribed records or accounts to forfeit not more  
22 than \$100 for each day it is in violation. If the credit union fails to pay the forfeiture,  
23 the ~~commissioner~~ office of credit unions may institute proceedings to recover the  
24 forfeiture.

1           **SECTION 238.** 186.235 (19) of the statutes, as affected by 1995 Wisconsin Act  
2 .... (this act), is amended to read:

3           186.235 **(19)** FINANCIAL REPORTS. (a) A credit union shall file with the  
4 ~~commissioner~~ office of credit unions a report of its activities for the previous  
5 reporting period, on a form furnished by the ~~commissioner~~ office of credit unions.

6           (b) The report shall include a true and verified copy of a condition statement  
7 of the credit union as of the close of the previous reporting period and shall include  
8 any other information that the ~~commissioner~~ office of credit unions requires.

9           (c) If a credit union fails or refuses to furnish a required report, it shall be  
10 subject, at the discretion of the ~~commissioner~~ office of credit unions, to a forfeiture  
11 of \$10 per day for each day of default, and the ~~commissioner~~ office of credit unions  
12 may maintain an action in the name of the state to recover the forfeiture, which shall  
13 be paid into the general fund.

14           (d) Annually, a credit union shall publish a report as a class 1 notice, under ch.  
15 985, in the municipality, as defined in s. 985.01 (3), where the credit union is located  
16 if the credit union has assets of \$10,000,000 or more or has a membership as  
17 described in s. 186.02 (2) (b) 2. The published report shall describe the condition of  
18 the credit union on December 31 of the previous year and shall be in a form that the  
19 ~~commissioner~~ office of credit unions prescribes. Proof of publication shall be  
20 furnished to the ~~commissioner~~ office of credit unions within 45 days after the date  
21 of the report.

22           **SECTION 239.** 186.235 (20) of the statutes is created to read:

23           186.235 **(20)** APPROVAL OF ACTS. Whenever any credit union requests approval  
24 of the commissioner for any act, which by statute requires approval, the  
25 commissioner shall have 90 days in which to grant, deny or defer the approval. A



1 deferral may be for not more than 60 days. If the commissioner fails to act, approval  
2 shall be considered to have been granted. In matters which require the holding of  
3 public hearings, the 90-day period shall not commence until the conclusion of the  
4 hearing and the date set by the commissioner for receipt of briefs.

5 **SECTION 240.** 186.235 (20) of the statutes, as created by 1995 Wisconsin Act ....  
6 (this act), is amended to read:

7 186.235 (20) APPROVAL OF ACTS. Whenever any credit union requests approval  
8 of the commissioner office of credit unions for any act, which by statute requires  
9 approval, the commissioner office of credit unions shall have 90 days in which to  
10 grant, deny or defer the approval. A deferral may be for not more than 60 days. If  
11 the commissioner office of credit unions fails to act, approval shall be considered to  
12 have been granted. In matters which require the holding of public hearings, the  
13 90-day period shall not commence until the conclusion of the hearing and the date  
14 set by the commissioner office of credit unions for receipt of briefs.

15 **SECTION 241.** 186.235 (21) (title) of the statutes is created to read:

16 186.235 (21) (title) PARITY.

17 **SECTION 242.** 186.24 of the statutes is repealed.

18 **SECTION 243.** 186.25 of the statutes is renumbered 186.235 (19) and amended  
19 to read:

20 186.235 (19) (title) SUPERVISION; FINANCIAL REPORTS. All credit unions formed  
21 under this or other similar law, or authorized to transact in this state a business  
22 similar to that authorized to be done by this chapter, shall be under the control and  
23 supervision of the commissioner. Every such corporation (a) A credit union shall  
24 make a full and detailed file with the commissioner a report of its business as of  
25 December 31 for that year, and of its condition on such date, in such form and

1 ~~containing such information as activities for the previous reporting period, on a form~~  
2 ~~furnished by the commissioner may prescribe, and shall file with the commissioner.~~

3 ~~(b) The report shall include a true and verified copy thereof on or before~~  
4 ~~February 1 thereafter. Accompanying the same shall be attached a copy of the a~~  
5 ~~condition statement of the credit union at as of the close of its last fiscal year the~~  
6 ~~previous reporting period and shall include any other information that the~~  
7 ~~commissioner requires.~~

8 ~~(c) If any such a credit union fails or refuses to furnish the a required report~~  
9 ~~herein required, it shall be subject, at the discretion of the commissioner, to a~~  
10 ~~forfeiture of \$1 to \$10 per day for each day of default, and the commissioner may~~  
11 ~~maintain an action in the name of the state to recover such penalty, and the same the~~  
12 ~~forfeiture, which shall be paid into the state treasury. A general fund.~~

13 ~~(d) Annually, a credit union shall publish the a report as a class 1 notice, under~~  
14 ~~ch. 985, in the municipality, as defined in s. 985.01 (3), where the credit union is~~  
15 ~~located if the credit union has assets of \$10,000,000 or more or has a membership as~~  
16 ~~described in s. 186.02 (2) (b) 2. The published report shall be in the condensed form~~  
17 ~~as describe the condition of the credit union on December 31 of the previous year and~~  
18 ~~shall be in a form that the commissioner prescribes. Proof of publication shall be~~  
19 ~~furnished to the commissioner within 45 days after the date of the report.~~

20 **SECTION 244.** 186.26 (title) of the statutes is repealed.

21 **SECTION 245.** 186.26 (1) of the statutes is renumbered 186.235 (16) and  
22 amended to read:

23 186.235 **(16)** (title) ANNUAL EXAMINATION. (a) At least once each year, the  
24 commissioner shall ~~make or cause to be made an examination of~~ examine the cash,  
25 ~~bills, collaterals, securities, assets, books of account, condition and affairs~~ records

1 ~~and accounts~~ of each credit union ~~and for~~. For that purpose the commissioner or the  
2 examiners appointed by the commissioner shall have full access to, and may compel  
3 the production of, each credit union's ~~books, papers, securities and moneys,~~ records  
4 and accounts. They may administer oaths to and examine each credit union's officers  
5 and agents as to their respective affairs. ~~Special examination shall be made upon~~  
6 ~~written request of 5 or more members, if those members guarantee the expense of~~  
7 ~~the special examination. The refusal of any credit union to submit to an examination~~  
8 ~~ordered or requested shall be reported to the department of justice for the purpose~~  
9 ~~of instituting proceedings to have the charter of the credit union revoked because of~~  
10 ~~the refusal.~~

11 (b) ~~In lieu~~ Instead of an annual examination of a credit union under par. (a),  
12 the commissioner may accept an audit report of the condition of the credit union  
13 made by a certified public accountant not an employe of the credit union in  
14 accordance with rules promulgated by the commissioner. ~~The cost of the audit shall~~  
15 ~~be paid by the credit union. A copy of each audit under this paragraph shall be~~  
16 ~~furnished to the Wisconsin credit union savings insurance corporation if the credit~~  
17 ~~union's savings are protected or guaranteed by the Wisconsin credit union savings~~  
18 ~~insurance corporation~~ or may accept an examination or audit made or approved by  
19 the national board.

20 **SECTION 246.** 186.26 (2) of the statutes is repealed.

21 **SECTION 247.** 186.27 (title) of the statutes is renumbered 186.235 (7) (title).

22 **SECTION 248.** 186.27 (intro.), (1) and (2) of the statutes are renumbered 186.235  
23 (7) (a) (intro.), 1. and 2. and amended to read:

24 186.235 (7) (a) (intro.) The commissioner, all other officers and employes of the  
25 office of the commissioner, and members of the review board shall keep secret all the

1 facts and information obtained in the course of examinations, except in any of the  
2 following situations:

3 1. ~~So far as~~ If the public duty of such ~~the~~ that person requires the ~~that~~ person to  
4 report upon or take special action regarding the affairs of any credit union; ~~or,~~

5 2. ~~When~~ If the person is called as a witness in any criminal proceeding ~~or trial~~  
6 ~~in a court of justice; or,~~

7 **SECTION 249.** 186.27 (3) of the statutes is renumbered 186.235 (7) (b) and  
8 amended to read:

9 186.235 (7) (b) The Notwithstanding par. (a) and unless otherwise provided by  
10 rule, the commissioner may do any of the following:

11 1. Furnish to the national board ~~or any official or examiner~~ of it a copy of any  
12 examination made by the commissioner's office of any credit union or of any report  
13 made by the credit union.

14 2. Give access to and disclose to the national board ~~or any official or examiner~~  
15 of it any information possessed by the commissioner about the conditions or affairs  
16 of any credit union whose savings are insured by ~~the national board~~ federal share  
17 insurance.

18 **SECTION 250.** 186.28 of the statutes is renumbered 186.235 (18) and amended  
19 to read:

20 186.235 (18) (title) ~~BOOKKEEPING; FORFEITURE FOR FAILURE TO OBEY COMMISSIONER~~  
21 RECORD-KEEPING AND ACCOUNTING PROCEDURE. (a) A credit union shall ~~open and keep~~  
22 ~~accurate and convenient~~ records of its transactions and accounts in a manner  
23 consistent with generally accepted accounting principles or with standards  
24 prescribed by the commissioner. ~~If the commissioner determines that a credit union~~  
25 does not keep its books records and accounts in a manner ~~which enables the~~

1 ~~commissioner to readily ascertain the true condition of the credit union~~ consistent  
2 with generally accepted accounting principles, the commissioner may require any  
3 ~~officer of the credit union to open and keep such books or~~ records and accounts as  
4 under standards prescribed by the commissioner ~~may prescribe in order to remedy~~  
5 ~~the deficiency.~~

6 (b) ~~Any~~ The commissioner may require a credit union that refuses or neglects  
7 fails to open records or maintain books prescribed records or accounts in the manner  
8 prescribed under sub. (1) shall be subject, upon written notification of the  
9 commissioner, ~~to a forfeiture not to exceed \$10~~ to forfeit not more than \$100 for each  
10 day it is in violation. ~~If any~~ the credit union fails or refuses to pay the forfeiture, the  
11 commissioner may institute proceedings to ~~enforce its collection~~ recover the  
12 forfeiture.

13 **SECTION 251.** 186.29 (title) of the statutes is renumbered 186.235 (11) (title).

14 **SECTION 252.** 186.29 (1) (intro.), (a) to (c), (e) and (g) to (k) of the statutes are  
15 renumbered 186.235 (11) (a) (intro.) and 1. to 9. and amended to read:

16 186.235 (11) (a) *Conditions for taking possession.* (intro.) The commissioner  
17 may ~~forthwith~~ take possession and control of the business and property of any credit  
18 union ~~to which this chapter is applicable whenever the commissioner finds a~~ if the  
19 ~~credit union violating~~ violates this chapter or ~~that~~ if the credit union does any of the  
20 following:

21 1. ~~Is conducting~~ Conducts its business contrary to law; ~~or,~~

22 2. ~~Has violated~~ Violates its charter, or any law; ~~or,~~

23 3. ~~Is conducting~~ Conducts its business in an unauthorized or unsafe manner;

24 ~~or,~~

25 4. Has an impairment of its capital; ~~or,~~

- 1           5. ~~Has suspended~~ Suspends payment of its obligations; ~~or,~~  
2           6. ~~Has neglected or refused~~ Neglects or refuses to comply with the terms of a  
3 ~~duly issued~~ an order of the commissioner; ~~or,~~  
4           7. ~~Has refused~~ Refuses to submit its books, papers, records, accounts or affairs  
5 for inspection to ~~any~~ a credit union examiner; ~~or,~~  
6           8. ~~Has refused~~ Refuses to be examined upon oath regarding its affairs.  
7           9. ~~Has been given~~ Receives notice of intent to terminate insured status by the  
8 national board.

9           **SECTION 253.** 186.29 (1) (d) and (f) of the statutes are repealed.

10          **SECTION 254.** 186.29 (1m) of the statutes is renumbered 186.235 (11) (b) and  
11 amended to read:

12           186.235 (11) (b) *Suspension.* 1. The commissioner may suspend, for a period  
13 of up to 120 days, ~~the business of~~ an officer, director, committee member or employe  
14 of a credit union from engaging in credit union business if the commissioner finds the  
15 existence of any condition under sub. (1) (a) to (k) par. (a) 1. to 9. The commissioner  
16 may renew a suspension under this ~~paragraph~~ subdivision any number of times and  
17 for periods of up to 120 days if the commissioner finds that the condition or conditions  
18 continue to exist.

19           2. The commissioner shall suspend the business of a credit union, other than  
20 a corporate central credit union, if the credit union does not comply with s. 186.34  
21 (2) (a). ~~The commissioner shall then liquidate the credit union under this section~~  
22 ~~unless the credit union files a complete application for federal share insurance from~~  
23 ~~the national board within 30 days after the date the suspension under this paragraph~~  
24 ~~commences. The commissioner shall authorize a credit union to resume its business~~  
25 ~~if it files an application within the time period specified in this paragraph.~~

1           **SECTION 255.** 186.29 (1p) (title) of the statutes is renumbered 186.235 (11) (c)  
2 (title).

3           **SECTION 256.** 186.29 (1p) (a) (title) of the statutes is repealed.

4           **SECTION 257.** 186.29 (1p) (a) of the statutes is renumbered 186.235 (11) (c) 1.  
5 and amended to read:

6           186.235 (11) (c) 1. The commissioner may take possession of the business and  
7 property of a credit union if the commissioner finds the existence of any condition  
8 under ~~sub. (1) (a) to (k)~~ par. (a) 1. to 9.

9           **SECTION 258.** 186.29 (1p) (b) (title) of the statutes is repealed.

10          **SECTION 259.** 186.29 (1p) (b) of the statutes is renumbered 186.235 (11) (c) 2.  
11 and amended to read:

12          186.235 (11) (c) 2. The commissioner shall take possession of the business and  
13 property of a credit union that violates s. 186.34 ~~(2) (b)~~, unless the commissioner  
14 approves a consolidation merger under s. 186.31, ~~and of a credit union that the~~  
15 ~~commissioner is required to liquidate under sub. (1m) (b).~~

16          **SECTION 260.** 186.29 (2) (intro.) and (a) of the statutes are renumbered 186.235  
17 (11) (d) (intro.) and 1. and amended to read:

18          186.235 (11) (d) *Procedure on taking possession.* (intro.) Upon taking  
19 possession of the business and property of ~~any such a~~ credit union, the commissioner  
20 shall ~~forthwith~~:

21           1. Serve a notice in writing upon the president and secretary of said the credit  
22 union ~~setting forth therein~~ stating that the commissioner has taken possession and  
23 control of the business and property of said the credit union. ~~Said~~ The notice shall  
24 be executed in duplicate, and immediately after ~~the same has been served~~ service,

1 one of the said notices shall be filed with the clerk of the circuit court of the county  
2 where said in which the credit union is located together with proof of service.

3 **SECTION 261.** 186.29 (2) (b) of the statutes is renumbered 186.235 (11) (d) 2. and  
4 amended to read:

5 186.235 (11) (d) 2. Give notice to all individuals, partnerships, corporations,  
6 limited liability companies and associations known to the commissioner to be  
7 holding or in possession of any assets of ~~such~~ the credit union.

8 **SECTION 262.** 186.29 (2) (c) of the statutes is renumbered 186.235 (11) (dg) and  
9 amended to read:

10 186.235 (11) (dg) (title) Special deputy commissioners. The commissioner may  
11 appoint one or more special deputy commissioners as agent to assist in the duty of  
12 liquidation and distribution of the assets of one or more credit unions of whose  
13 business and property the commissioner ~~shall have taken possession pursuant to the~~  
14 ~~provisions of this chapter~~ holds. A certificate of ~~such~~ appointment shall be filed in  
15 the office of the commissioner and a certified copy in the office of the clerk of the  
16 circuit court for the county in which ~~such~~ the credit union is located. The  
17 commissioner may employ ~~such~~ counsel and procure ~~such~~ expert assistance and  
18 advice as ~~may be necessary~~ in the liquidation and distribution of the assets of ~~such~~  
19 the credit union, and may retain ~~such of the~~ any officers or employes of ~~such~~ the credit  
20 union as ~~that the commissioner deems~~ considers to be necessary. The special deputy  
21 commissioner and assistants shall furnish ~~such~~ security for the faithful discharge of  
22 their duties as ~~in an amount that the commissioner deems proper.~~ Such considers  
23 to be necessary. The special deputy commissioner may execute, acknowledge and  
24 deliver any ~~and all~~ deeds, assignments, releases or other instruments necessary and  
25 ~~proper~~ to effect any sale and transfer or incumbrance of real estate or personal



1 property and may borrow money for use in the liquidation after the same liquidation  
2 has been approved by the commissioner and an order obtained from the circuit court  
3 of the county in which said the credit union is located as hereinafter provided.

4 **SECTION 263.** 186.29 (2) (d) of the statutes is renumbered 186.235 (11) (dr) and  
5 amended to read:

6 186.235 (11) (dr) (title) *Special deputy commissioner duties.* Upon taking  
7 possession of the property and business of such the credit union, the special deputy  
8 commissioner is authorized to collect all moneys due to such the credit union, and to  
9 do such other acts as are necessary to conserve its assets and business, and shall  
10 proceed to liquidate the affairs thereof as hereinafter provided of the credit union.  
11 The special deputy commissioner shall collect all debts due and claims belonging to  
12 it the credit union, and upon a petition approved by the commissioner and upon order  
13 of the circuit court of the county in which such the credit union is located, may sell  
14 or compound all bad or doubtful debts, or do any act or execute any other necessary  
15 instruments and upon like petition and order may sell all the real and personal  
16 property of such the credit union on such terms as the court shall approve. Such  
17 special deputy commissioner may, if necessary, enforce individual liability of the  
18 stockholders to pay the debts of such corporation.

19 **SECTION 264.** 186.29 (3) of the statutes is renumbered 186.235 (11) (e) and  
20 amended to read:

21 186.235 (11) (e) *Notice, allowance and payment of claims.* The special deputy  
22 commissioner shall cause publish a class 3 notice, under ch. 985, to be published,  
23 calling on all persons who may have claims a claim against such the credit union, to  
24 present the same claim to the special deputy commissioner and make legal proof  
25 thereof of the claim at a place and within a time, not earlier than the last day of

1 publication, to be ~~therein~~ specified in the notice. The special deputy commissioner  
2 shall mail a similar notice to all persons, at their last-known address, whose names  
3 appear as creditors upon the books of the credit union. Proof of service of ~~such~~ the  
4 notice shall be filed with the clerk of said court. The special deputy commissioner  
5 may reject any claim. Any party interested may also file written objections to any  
6 claim with the special deputy commissioner and, after notice by registered mail of  
7 ~~such~~ the rejection, ~~said~~ the claimant shall be barred unless the claimant commences  
8 an action ~~thereon~~ on the claim within 3 months. Claims presented after the  
9 expiration of the time fixed in the notice ~~to creditors~~ shall be entitled to an equitable  
10 share ~~in~~ from the distribution ~~only to the extent of the~~ any assets ~~then~~ remaining in  
11 the hands of the special deputy commissioner ~~equitably applicable thereto~~ after  
12 properly filed claims have been paid.

13 **SECTION 265.** 186.29 (4) of the statutes is renumbered 186.235 (11) (f) and  
14 amended to read:

15 186.235 (11) (f) *Inventory of assets and statement of liabilities.* Upon taking  
16 possession of the property and assets of ~~such~~ the credit union, the special deputy  
17 commissioner shall make an inventory of the assets of ~~such~~ the credit union, in  
18 duplicate, one to be filed in the office of the commissioner and one in the office of the  
19 clerk of circuit court for the county in which ~~such~~ the credit union is located. Upon  
20 the expiration of the time fixed for the presentation of claims, the special deputy  
21 commissioner shall make in duplicate a full and complete list of the claims presented,  
22 including and specifying ~~such~~ the claims ~~as have been~~ rejected by the special deputy  
23 commissioner, one to be filed in the office of the commissioner, and one in the office  
24 of the clerk of circuit court for the county in which ~~such~~ the credit union is located.

1     ~~Such~~ The inventory and list of claims shall be open at all reasonable times to  
2     inspection.

3             **SECTION 266.** 186.29 (5) of the statutes is renumbered 186.235 (11) (g) and  
4     amended to read:

5             186.235 (11) (g) *Adjustment of loans and withdrawal value of shares.* The value  
6     of shares pledged upon a loan to the credit union shall be applied and credited to the  
7     loan and the borrower shall be liable only for the balance. The rate of interest  
8     charged upon the balance shall be the legal rate. ~~The value shall be determined in~~  
9     ~~such manner as the commissioner prescribes, and shall be made under s. 186.30 (1)~~  
10    ~~and (3), or in such other manner as the commissioner may prescribe.~~ Upon the  
11    approval of the value by the commissioner and the circuit court of the county in which  
12    the credit union is located, the book value of each member shall may be reduced  
13    proportionately. At least 5 days' written notice of the determination of value shall  
14    be given to all shareholders of the time and place the value shall be submitted to the  
15    circuit court for approval. Approval of the circuit court shall be by an order entered  
16    under s. 807.11 (2). Any stockholder or creditor of the credit union aggrieved by the  
17    determination of value may appeal to the court of appeals.

18            **SECTION 267.** 186.29 (6) of the statutes is renumbered 186.235 (11) (h) and  
19    amended to read:

20            186.235 (11) (h) *Compensation and expenses in connection with liquidation.*  
21    The compensation of the special deputy commissioners, counsel and other employes  
22    and assistants, and all expenses of supervision and liquidation shall be fixed by the  
23    commissioner, subject to the approval of the circuit court for the county in which the  
24    credit union is located, and shall upon the certificate of the commissioner be paid out  
25    of the funds of the credit union. Expenses of supervision and liquidation include the

1 cost of the services rendered by the office of the commissioner to the credit union  
2 being liquidated. The cost of these services shall be determined by the commissioner  
3 and paid to the office of the commissioner from the assets of the credit union as other  
4 expenses of liquidation are paid. The moneys collected by the special deputy  
5 commissioner shall be deposited in ~~one or more~~ a corporate central credit unions  
6 union, and, in case of the suspension or insolvency of a depository, such deposits shall  
7 be preferred before all other deposits.

8 **SECTION 268.** 186.29 (7) of the statutes is renumbered 186.235 (11) (i) and  
9 amended to read:

10 186.235 (11) (i) *Liquidating dividends.* At any time after the expiration of the  
11 date fixed for the presentation of claims, the special deputy commissioner in charge  
12 of the liquidation of such the credit union may, upon a petition approved by the  
13 commissioner and an order of the circuit court of the county in which such the credit  
14 union is located, out of the funds remaining, after the payment of expenses and debts,  
15 declare one or more dividends, and may declare a final dividend, ~~such dividend to be~~  
16 paid to such persons, and in such amounts as may be directed by the circuit court.

17 **SECTION 269.** 186.29 (8) of the statutes is renumbered 186.235 (11) (j) and  
18 amended to read:

19 186.235 (11) (j) *Title passes to commissioner.* Immediately upon filing the notice  
20 as provided for in sub. (2) under par. (d), the possession of all assets and property of  
21 such the credit union ~~of every kind and nature, wheresoever situated shall be deemed~~  
22 considered to be transferred from such the credit union to, and assumed by the  
23 commissioner; ~~and. The filing of the notice mentioned herein,~~ shall of itself, and  
24 without the execution or delivery of any instruments of conveyance, assignment,  
25 transfer or ~~indorsement~~ endorsement, vest the title to all such assets and property

1 in the commissioner. ~~Such~~ The filing shall also operate as a bar to any attachment,  
2 garnishment, execution or other legal proceedings against ~~such~~ the credit union, or  
3 its assets and property, or its liabilities.

4 **SECTION 270.** 186.29 (9) of the statutes is renumbered 186.235 (11) (k).

5 **SECTION 271.** 186.29 (10) of the statutes is renumbered 186.235 (11) (L) and  
6 amended to read:

7 186.235 (11) (L) *Appeal.* ~~Whenever any such~~ If a credit union, whose property  
8 and business the commissioner has taken possession of, ~~as aforesaid,~~ ~~deems~~  
9 considers itself aggrieved ~~thereby by the commissioner's action,~~ it may, at any time  
10 within ~~10~~ 30 days after ~~such~~ the date of the taking, appeal to the credit union review  
11 board for relief from ~~such~~ the possession by the commissioner. ~~In the event~~ If the  
12 credit union review board sustains the commissioner, the ~~said~~ credit union may ~~then,~~  
13 at any time within ~~10~~ 30 days after the decision of the credit union review board,  
14 apply to the circuit court of the county in which ~~such~~ the credit union is located to  
15 enjoin further proceedings; ~~and said.~~ The court, after citing the commissioner to  
16 show cause why further proceedings should not be enjoined and after hearing all  
17 allegations and proofs of the parties and determining the facts, may, upon the merits  
18 dismiss ~~such~~ the application or enjoin the commissioner from further proceedings,  
19 and may direct it the commissioner to surrender ~~such~~ the business and property to  
20 ~~such~~ the credit union.

21 **SECTION 272.** 186.29 (11) (intro.) and (a) to (d) of the statutes are renumbered  
22 186.235 (11) (m) (intro.), 1., 2., 4. and 5. and amended to read:

23 186.235 (11) (m) *Reinstatement.* (intro.) ~~Whenever~~ After the commissioner  
24 ~~shall have taken~~ takes over the possession and control of the business and property

1 of any a credit union, the same credit union may resume business when and if all of  
2 the following apply:

3 1. The owners of at least two-thirds of such the credit union dollar value of  
4 outstanding shares, execute a petition to ~~such effect~~ resume business, the form of  
5 which petition shall be prescribed by the commissioner, ~~and~~.

6 2. There is submitted to the commissioner by such the shareholders, or a  
7 committee ~~duly~~ selected by them, a plan for the reorganization and reinstatement  
8 of such the credit union, ~~and~~.

9 4. The commissioner recommends that control of the business and property of  
10 such the credit union be returned to the shareholders, ~~and~~.

11 5. The court in which such the liquidation is pending, upon application of the  
12 commissioner, makes an order approving the commissioner's recommendations,  
13 which order shall contain a finding that such the credit union will be in a safe and  
14 sound condition when control is resumed by the shareholders.

15 **SECTION 273.** 186.29 (12) of the statutes is renumbered 186.235 (11) (n) and  
16 amended to read:

17 186.235 (11) (n) *Reinstatement upon restricted basis.* ~~Such~~ In addition to the  
18 procedure under par. (m), a credit union may also resume business upon a restricted  
19 basis, and upon such limitations and conditions as may be prescribed by the  
20 commissioner when approved by the circuit court ~~in and~~ for the county in which such  
21 the credit union is located, upon application of the commissioner. ~~Such~~ The  
22 restrictions and conditions may include, ~~among others~~, a prohibition against the  
23 selling of new shares, reasonable restrictions upon withdrawals and the payment of  
24 other liabilities. ~~Such~~ On approval, the credit union shall ~~thereupon~~ be relieved from  
25 the control and supervision of the commissioner ~~as provided in this section~~, but

1 ~~nothing herein shall, in any manner, the approval does not~~ prohibit the  
2 commissioner from again proceeding against such the credit union as provided  
3 herein if conditions warrant the commissioner's action.

4 **SECTION 274.** 186.29 (13) of the statutes is renumbered 186.235 (11) (p) and  
5 amended to read:

6 186.235 (11) (p) *Liquidating dividends and unclaimed funds.* 1. The special  
7 deputy commissioner shall deposit unclaimed liquidating dividends and unclaimed  
8 funds remaining unpaid in the hands of the special deputy commissioner for 6  
9 months after the order for final distribution in ~~one or more~~ a corporate central credit  
10 ~~unions~~ union in the commissioner's name in trust for the shareholders and creditors  
11 of the liquidated credit union. The commissioner shall annually report to the  
12 governor and the chief clerk of each house of legislature for distribution to the  
13 legislature under s. 13.172 (2) the names of credit unions of which the commissioner  
14 has taken possession and liquidated, and the sums of unclaimed and unpaid  
15 liquidating dividends and unclaimed funds with respect to each of the credit unions  
16 ~~respectively, including~~ and include a statement of interest earned upon such those  
17 funds.

18 2. The commissioner may pay over the ~~moneys so~~ funds held by the  
19 commissioner under subd. 1. to the persons ~~respectively~~ entitled ~~thereto~~ to the funds,  
20 upon being furnished satisfactory evidence of their right to the ~~same~~ funds. In case  
21 of doubt or conflicting claims, the commissioner may require an order of the circuit  
22 court authorizing ~~and directing~~ the payment thereof. The commissioner may apply  
23 the interest earned by the ~~moneys so held by the commissioner towards~~ funds toward  
24 defraying the expenses in the payment and distribution of ~~such~~ unclaimed

1 liquidating dividends and unclaimed funds to the stockholders and creditors entitled  
2 to receive the same dividends and funds.

3 3. ~~After one~~ One year ~~from~~ after the time date of the order for final distribution,  
4 the commissioner shall report and deliver to the state treasurer all unclaimed funds  
5 as provided in ch. 177. All claims subsequently arising shall be presented to the  
6 commissioner. If the commissioner determines that any claim should be allowed, ~~he~~  
7 ~~or she~~ the commissioner shall certify to the department of administration the name  
8 and address of the person entitled to payment and the amount ~~thereof~~ of the payment  
9 and shall attach the claim to the certificate. The department of administration shall  
10 certify the claim to the state treasurer for payment.

11 **SECTION 275.** 186.30 of the statutes is repealed.

12 **SECTION 276.** 186.31 of the statutes is amended to read:

13 **186.31** (title) ~~Consolidation of credit unions~~ Mergers. (1) (title) TRANSFER  
14 OF ASSETS AND LIABILITIES. Any credit union, which is in good faith winding up its  
15 business for the purpose of consolidating merging with some other another credit  
16 union, may transfer its assets and liabilities to the credit union with which it is in  
17 the process of consolidation merging; but no consolidation merger may be made  
18 without the consent of the commissioner, and not then to defeat or defraud any of its  
19 creditors in the collection of debts against such credit union. ~~No consolidation may~~  
20 ~~be carried out without the consent of the Wisconsin credit union savings insurance~~  
21 ~~corporation if it protects or guarantees the accounts of any credit union participating~~  
22 ~~in the consolidation, or the national board if it insures the shares of any credit union~~  
23 ~~participating in the consolidation.~~

24 (2) (title) APPROVAL. ~~With the approval of the commissioner credit unions may~~  
25 ~~consolidate.~~ To effect a consolidation merger, the board of directors of each



1 consolidating credit union shall, by resolution, propose a specific plan for  
2 consolidation merger which shall be agreed to by a majority of the board of each credit  
3 union joining in the consolidation ~~and directing that the merger.~~ The proposed  
4 merger plan of consolidation shall be submitted to a vote at ~~a~~ an annual or special  
5 meeting of members of the merging credit unions being absorbed which may be either  
6 ~~an annual or a special meeting~~ union. Written notice of the meeting setting forth the  
7 proposed plan of consolidation merger or a summary shall be given to each member  
8 of the merging credit unions being absorbed union within the time and in the manner  
9 provided for the giving of notice of meetings of members of the credit union. The  
10 proposed plan shall be adopted upon receiving a majority of the votes entitled to be  
11 cast by members present at the meeting.

12 (3) (title) RIGHTS TRANSFERRED. The credit union consolidating merging with  
13 another credit union under the subs. (1) and (2) shall not be required to go into  
14 liquidation but its assets and liabilities shall be reported by the credit union with  
15 which it has consolidated merged, and all the rights, franchises and interests of said  
16 the merging credit union ~~so consolidated in~~ and to any species of property, ~~personal~~  
17 ~~and mixed, and choses in action thereto belonging,~~ to the credit union shall be  
18 deemed considered to be transferred, and the said ~~consolidated~~ resulting credit  
19 union shall hold and enjoy the same and all rights of property, franchises and interest  
20 in the same manner and to the same extent as was held and enjoyed by the merging  
21 credit union ~~so consolidated therewith; and the.~~ The members or shareholders of  
22 ~~such absorbed~~ the merging credit union shall without any further act on their part  
23 be members and shareholders of ~~such consolidated~~ the resulting credit union and be  
24 subject to all rights, privileges and duties as provided for in the bylaws of the  
25 resulting credit union ~~which has so absorbed their credit union.~~

1           **SECTION 277.** 186.31 (1) of the statutes, as affected by 1995 Wisconsin Acts 27  
2 and .... (this act), is repealed and recreated to read:

3           **186.31 (1) TRANSFER OF ASSETS AND LIABILITIES.** Any credit union, which is in  
4 good faith winding up its business for the purpose of merging with another credit  
5 union, may transfer its assets and liabilities to the credit union with which it is in  
6 the process of merging; but no merger may be made without the consent of the office  
7 of credit unions, and not then to defeat or defraud any of its creditors in the collection  
8 of debts against such credit union.

9           **SECTION 278.** 186.31 (2) of the statutes, as affected by 1995 Wisconsin Acts 27  
10 and .... (this act), is repealed and recreated to read:

11           **186.31 (2) APPROVAL.** To effect a merger, the board of directors of each credit  
12 union shall, by resolution, propose a specific plan for merger which shall be agreed  
13 to by a majority of the board of each credit union joining in the merger. The proposed  
14 merger plan shall be submitted to a vote at an annual or special meeting of members  
15 of the merging credit union. Written notice of the meeting setting forth the proposed  
16 plan of merger or a summary shall be given to each member of the merging credit  
17 union within the time and in the manner provided for the giving of notice of meetings  
18 of members of the credit union. The proposed plan shall be adopted upon receiving  
19 a majority of the votes entitled to be cast by members present at the meeting.

20           **SECTION 279.** 186.31 (2m) of the statutes is created to read:

21           **186.31 (2m) EMERGENCY MERGER.** Notwithstanding sub. (2), if the  
22 commissioner determines that the merging credit union is in danger of insolvency,  
23 and that the proposed merger would reduce or avoid a threatened loss to federal  
24 share insurance, the commissioner may permit the merger to become effective  
25 without an affirmative vote of the membership of the merging credit union.

1           **SECTION 280.** 186.31 (2m) of the statutes, as created by 1995 Wisconsin Act ...  
2 (this act), is amended to read:

3           186.31 **(2m)** EMERGENCY MERGER. Notwithstanding sub. (2), if the  
4 ~~commissioner~~ office of credit unions determines that the merging credit union is in  
5 danger of insolvency, and that the proposed merger would reduce or avoid a  
6 threatened loss to federal share insurance, the ~~commissioner~~ office of credit unions  
7 may permit the merger to become effective without an affirmative vote of the  
8 membership of the merging credit union.

9           **SECTION 281.** 186.314 of the statutes is amended to read:

10           **186.314 Conversion.** A credit union ~~chartered under this chapter~~ may be  
11 ~~converted~~ convert to a federal credit union by complying with the following:

12           **(1)** The proposition for a conversion shall first be approved by unanimous  
13 recommendation of the directors of the credit union. The directors shall set a date  
14 for a vote by the members on the conversion. Written notice specifying the reason  
15 for conversion and the date set for the vote shall be delivered in person or mailed to  
16 each member at the address ~~for such member~~ appearing on the records of the credit  
17 union, not more than ~~30~~ 45 days nor less than ~~7~~ 15 days ~~prior to such date~~ before the  
18 meeting. A majority of the members voting, in person or in writing, may approve the  
19 proposition for conversion, provided not more than 15 members or 10% of the total  
20 membership, whichever is greater, object by written notice, ~~object~~.

21           **(2)** A statement of the results of the vote, verified by the affidavits of the  
22 ~~president or vice president~~ chairperson or the vice chairperson and the secretary,  
23 shall be filed with the office of the commissioner within 10 days after the vote is  
24 taken.

1           (3) ~~Promptly after the vote is taken and in no event later than~~ Within 90 days  
2     ~~thereafter, if after the date on which~~ the proposition for conversion was is approved  
3     ~~by such vote, the credit union shall take such action as may be~~ the necessary action  
4     ~~under the federal law~~ 12 USC 1771 (b) to make it a federal credit union, ~~and within.~~  
5     Within 10 days after receipt of the federal credit union charter, ~~there shall be filed~~  
6     the credit union shall file a copy of the charter with the office of the commissioner a  
7     ~~copy of the charter thus issued.~~ Upon such filing, the credit union shall cease to be  
8     a state credit union.

9           (4) Upon ceasing to be a state credit union, ~~such~~ the credit union shall no longer  
10    be subject to this chapter. The successor federal credit union shall be vested with all  
11    the assets and shall continue to be responsible for all of the obligations of the state  
12    credit union, including annual and special assessments levied under s. 186.35 (5) (d)  
13    prior to the date a copy of the federal credit union charter is filed with the  
14    commissioner, to the same extent as though the conversion had not taken place.

15           **SECTION 282.** 186.314 (2), (3) and (4) of the statutes, as affected by 1995  
16    Wisconsin Acts 27 and .... (this act), are repealed and recreated to read:

17           186.314 (2) A statement of the results of the vote, verified by the affidavits of  
18    the chairperson or the vice chairperson and the secretary, shall be filed with the office  
19    of credit unions within 10 days after the vote is taken.

20           (3) Within 90 days after the date on which the proposition for conversion is  
21    approved, the credit union shall take the necessary action under 12 USC 1771 (b) to  
22    make it a federal credit union. Within 10 days after receipt of the federal credit union  
23    charter, the credit union shall file a copy of the charter with the office of credit  
24    unions. Upon filing, the credit union shall cease to be a state credit union.

1           (4) Upon ceasing to be a state credit union, the credit union shall no longer be  
2 subject to this chapter. The successor federal credit union shall be vested with all  
3 the assets and shall continue to be responsible for all of the obligations of the state  
4 credit union, including annual and special assessments levied under s. 186.35 (5) (d)  
5 prior to the date a copy of the federal credit union charter is filed with the office of  
6 credit unions, to the same extent as though the conversion had not taken place.

7           **SECTION 283.** 186.315 of the statutes is amended to read:

8           **186.315 Charter cancellation.** Upon completion of a voluntary liquidation  
9 as provided in s. 186.18, or upon completion of the liquidation in cases under s. ~~186.29~~  
10 186.235 (11), or after the assets and liabilities of a credit union are transferred to  
11 another credit union for the purpose of ~~consolidation~~ merger as provided in s. 186.31  
12 (3), the commissioner shall ~~forthwith~~ cancel the charter of the credit union ~~or credit~~  
13 ~~unions liquidated or absorbed in consolidation~~ merged without any other or further  
14 notice to ~~said~~ the credit union or to any person. A certified copy of the order or  
15 certificate of the commissioner shall be recorded with the register of deeds of the  
16 county ~~where said~~ in which the credit union is located. The register of deeds shall  
17 note on the margin of the record of the articles of incorporation of ~~said~~ the credit  
18 union the volume and page where ~~said~~ the order or certificate canceling its charter  
19 is recorded ~~and shall be entitled to a fee of 50 cents therefor~~. In case of voluntary  
20 liquidation under s. 186.18 or ~~consolidation~~ merger under s. 186.31, the credit union  
21 shall record the order or certificate of the commissioner and pay the fee ~~therefor~~. In  
22 case of liquidation under s. ~~186.29~~ 186.235 (11), the commissioner or special deputy  
23 commissioner ~~as therein provided~~ shall record the order or certificate of the  
24 commissioner and pay the fee ~~therefor~~ out of the assets of the credit union as an  
25 expense of liquidation.

1           **SECTION 284.** 186.315 of the statutes, as affected by 1995 Wisconsin Acts 27 and  
2 .... (this act), is repealed and recreated to read:

3           **186.315 Charter cancellation.** Upon completion of a voluntary liquidation  
4 as provided in s. 186.18, or upon completion of the liquidation in cases under s.  
5 186.235 (11), or after the assets and liabilities of a credit union are transferred to  
6 another credit union for the purpose of merger as provided in s. 186.31 (3), the office  
7 of credit unions shall cancel the charter of the credit union liquidated or merged  
8 without any other or further notice to the credit union or to any person. A certified  
9 copy of the order or certificate of the office of credit unions shall be recorded with the  
10 register of deeds of the county in which the credit union is located. The register of  
11 deeds shall note on the margin of the record of the articles of incorporation of the  
12 credit union the volume and page where the order or certificate canceling its charter  
13 is recorded. In case of voluntary liquidation under s. 186.18 or merger under s.  
14 186.31, the credit union shall record the order or certificate of the office of credit  
15 unions and pay the fee. In case of liquidation under s. 186.235 (11), the office of credit  
16 unions or special deputy shall record the order or certificate of the office of credit  
17 unions and pay the fee out of the assets of the credit union as an expense of  
18 liquidation.

19           **SECTION 285.** 186.32 of the statutes is amended to read:

20           **186.32** (title) **Central Corporate central credit unions union.** (1) (title)  
21 ORGANIZATION. Central A corporate central credit unions union may be organized  
22 and operated under the conditions and provisions of this chapter and subject to all  
23 of the provisions of this chapter not inconsistent ~~herewith~~ with this section. It shall  
24 be lawful for other credit unions located in this state and any other state to become  
25 members of a corporate central credit unions union. Credit unions having

1 membership in a corporate central credit union may be represented at an annual or  
2 special meetings meeting of the corporate central credit union by one member duly  
3 authorized by the board of directors of such that member credit union and shall be  
4 entitled to one vote, ~~and such.~~ The representative shall may be eligible for office in  
5 the corporate central credit union the same as ~~though~~ if the representative were a  
6 member of the corporate central credit union.

7 (2) (title) DIVIDENDS. A corporate central credit union may pay to the accounts  
8 of member credit unions dividends on a basis other than that required by this ~~section~~  
9 subsection for other members of a corporate central credit union. Dividends paid  
10 under this ~~section~~ subsection shall be considered a normal operating expense of the  
11 corporate central credit union's operation ~~and rates.~~ Rates of such dividends and  
12 terms of payment may be established and guaranteed in advance by action of the  
13 corporate central credit union's board of directors.

14 **SECTION 286.** 186.325 of the statutes is created to read:

15 **186.325 National corporate central credit union. (1) CRITERIA.** A  
16 corporate central credit union is a national corporate central credit union if all of the  
17 following conditions are met:

18 (a) Its membership consists of any of the following:

19 1. Central or corporate central credit unions that are organized under the laws  
20 of this state or another state or under federal law.

21 2. Officers and directors of the qualifying corporate central credit union.

22 3. Organizations operated primarily to service and otherwise assist credit  
23 union operations.

24 (b) Its membership does not include any of the following:

25 1. Credit unions other than those under par. (a) 1.

1           2. Individuals other than those under par. (a) 2.

2           (c) At least 75% of its savings and deposits are derived from members under  
3 par. (a) 1. and the remainder of its savings and deposits are derived from members  
4 under par. (a) 2. and 3.

5           **(2) BORROWING LIMITS.** The borrowing limits under s. 186.112 do not apply to  
6 a national corporate central credit union.

7           **SECTION 287.** 186.33 of the statutes is renumbered 186.113 (22) and amended  
8 to read:

9           186.113 **(22)** (title) ~~OTHER POWERS~~ COMMUNITY CURRENCY EXCHANGE AND SELLER  
10 OF CHECKS. ~~Credit unions may engage~~ Engage in the business and functions provided  
11 for in s. 218.05 and ch. 217 ~~for their members~~ upon receiving a certificate of authority  
12 from the commissioner. ~~The certificate of authority shall be issued by the~~  
13 ~~commissioner upon application of a credit union whenever the commissioner finds~~  
14 ~~that the credit union has adequate clerical facilities and has provided for the keeping~~  
15 ~~of adequate accounts and for the segregation of funds used in carrying on the~~  
16 ~~business of issuing their own credit union money orders.~~ The applicants. An  
17 applicant shall meet the same requirements as other applicants under ch. 217, but  
18 no investigation fee may be charged of credit union applicants. The commissioner  
19 may revoke a certificate of authority following a hearing held upon 10 days' notice  
20 to the credit union for any reason which would have justified the rejection of an  
21 application or on the ground that the continued operation of the business threatens  
22 the solvency of the credit union.

23           **SECTION 288.** 186.34 (1) of the statutes is amended to read:

24           186.34 **(1)** (title) INSURANCE REQUIRED. No credit union ~~organized under this~~  
25 ~~chapter on or after July 20, 1985,~~ may accept any deposit from any person other than



1 an incorporator before the credit union has received a certificate of share insurance  
2 issued by the national board.

3 **SECTION 289.** 186.34 (2) and (3) of the statutes are repealed.

4 **SECTION 290.** 186.34 (4) of the statutes is amended to read:

5 186.34 (4) (title) CERTIFICATE FILING. Every credit union that receives a  
6 certificate of insurance from the national board shall file a copy of the certificate with  
7 the commissioner within 30 days after the credit union receives the certificate. ~~Every~~  
8 ~~credit union organized under this chapter prior to July 20, 1985, that receives a~~  
9 ~~certificate of insurance from the national board shall also file a copy of the certificate~~  
10 ~~with the Wisconsin credit union savings insurance corporation within 30 days after~~  
11 ~~receipt of the certificate.~~

12 **SECTION 291.** 186.34 (4) of the statutes, as affected by 1995 Wisconsin Acts 27  
13 and ... (this act), is repealed and recreated to read:

14 186.34 (4) CERTIFICATE FILING. Every credit union that receives a certificate of  
15 insurance from the national board shall file a copy of the certificate with the office  
16 of credit unions within 30 days after the credit union receives the certificate.

17 **SECTION 292.** 186.34 (5) (title) of the statutes is created to read:

18 186.34 (5) (title) INSURANCE TO BE MAINTAINED.

19 **SECTION 293.** 186.35 (8) of the statutes is amended to read:

20 186.35 (8) EXAMINATIONS OF CREDIT UNIONS. The office of the commissioner shall  
21 promptly forward to the corporation copies of examination reports of all members.  
22 The cost of these copies shall be paid by the corporation. If the trustees of the  
23 corporation ascertain evidence of carelessness, unsound practices or  
24 mismanagement of any member or if the trustees determine that the activities of any  
25 member may jeopardize any of the corporation's assets, the trustees or their

1 designees may require the member to disclose its operational policies and  
2 procedures, and may recommend appropriate corrective measures to the member.  
3 If the trustees determine that the carelessness, unsound practices or  
4 mismanagement is not promptly corrected or that the threat to the corporation's  
5 assets has not been removed, the trustees may make appropriate recommendations  
6 to the commissioner, including the recommendation that the member be liquidated  
7 or ~~consolidated~~ merged.

8 **SECTION 294.** 186.35 (8) of the statutes, as affected by 1995 Wisconsin Acts 27  
9 and ... (this act), is repealed and recreated to read:

10 186.35 (8) EXAMINATIONS OF CREDIT UNIONS. The office of credit unions shall  
11 promptly forward to the corporation copies of examination reports of all members.  
12 The cost of these copies shall be paid by the corporation. If the trustees of the  
13 corporation ascertain evidence of carelessness, unsound practices or  
14 mismanagement of any member or if the trustees determine that the activities of any  
15 member may jeopardize any of the corporation's assets, the trustees or their  
16 designees may require the member to disclose its operational policies and  
17 procedures, and may recommend appropriate corrective measures to the member.  
18 If the trustees determine that the carelessness, unsound practices or  
19 mismanagement is not promptly corrected or that the threat to the corporation's  
20 assets has not been removed, the trustees may make appropriate recommendations  
21 to the office of credit unions, including the recommendation that the member be  
22 liquidated or merged.

23 **SECTION 295.** 186.35 (10) (c) of the statutes is amended to read:

24 186.35 (10) (c) If a credit union which is entitled to a refund of its membership  
25 fee under par. (b) ~~consolidates~~ merges under s. 186.31 with another credit union

1 before the refund is paid, the corporation shall pay to the surviving credit union the  
2 membership fee paid by the absorbed credit union.

3 **SECTION 296.** 186.35 (11) of the statutes is repealed.

4 **SECTION 297.** 186.35 (12) (a) of the statutes is amended to read:

5 186.35 (12) (a) Except as provided in par. (c), the numerator of the fraction shall  
6 be the total of all annual and special assessments paid to the corporation by the  
7 member, reduced by any refund to the member of a prorated portion of an annual  
8 assessment under sub. (10) (b) and by any amounts paid to the member by the  
9 corporation as a protection or guaranty of any account in the member credit union,  
10 other than an account transferred to the member credit union as a result of a  
11 ~~consolidation~~ merger or liquidation of another credit union.

12 **SECTION 298.** 186.35 (12m) (intro.) of the statutes is amended to read:

13 186.35 (12m) (title) COMPUTATION OF LIQUIDATING DISTRIBUTIONS IF MEMBER  
14 CREDIT UNIONS ~~CONSOLIDATED~~ MERGED. (intro.) If a member credit union ~~consolidates~~  
15 merges under s. 186.31 with a credit union which is a member of the corporation and  
16 operating under this chapter on the date that the corporation authorizes a  
17 distribution under sub. (11), the surviving credit union's fractional share of  
18 liquidating distributions under sub. (11) is calculated as follows:

19 **SECTION 299.** 186.35 (14) of the statutes is created to read:

20 186.35 (14) DISSOLUTION. Within 30 days after the dissolution of the Wisconsin  
21 Credit Union Savings Insurance Corporation, the commissioner shall publish a  
22 notice of the dissolution in the Wisconsin administrative register.

23 **SECTION 300.** 186.35 (14) of the statutes, as created by 1995 Wisconsin Act ....  
24 (this act), is amended to read:

1           186.35 (14) DISSOLUTION. Within 30 days after the dissolution of the Wisconsin  
2 Credit Union Savings Insurance Corporation, the ~~commissioner~~ office of credit  
3 unions shall publish a notice of the dissolution in the Wisconsin administrative  
4 register.

5           **SECTION 301.** 186.36 of the statutes is amended to read:

6           **186.36 Sale of insurance in credit unions.** Any agent ~~who is an officer or~~  
7 employe of a credit union ~~may pay the whole or any part of the agent's, when acting~~  
8 as an agent for the sale of insurance on behalf of the credit union, shall pay all  
9 commissions received from the sale of credit life insurance or credit accident and  
10 sickness insurance to the credit union.

11           **SECTION 302.** 186.37 of the statutes is renumbered 186.235 (5) and amended  
12 to read:

13           186.235 (5) IMMUNITY OF COMMISSIONER. The commissioner ~~of credit unions~~  
14 shall not be subject to any civil liability or penalty, ~~nor~~ or to any criminal prosecution,  
15 for any error in judgment or discretion made in good faith and upon reasonable  
16 grounds in any action taken or omitted by the commissioner in ~~the commissioner's~~  
17 an official capacity under this chapter.

18           **SECTION 303.** 186.38 of the statutes is repealed.

19           **SECTION 304.** 186.41 (1) (b) of the statutes is repealed.

20           **SECTION 305.** 186.41 (2) (a) 3. of the statutes is created to read:

21           186.41 (2) (a) 3. Expand its field of membership to bordering regional states.

22           **SECTION 306.** 186.41 (5m) of the statutes is amended to read:

23           186.41 (5m) BRANCHING NOT LIMITED. This section does not limit branching  
24 authority under s. 186.113 (1m) (1).

25           **SECTION 307.** 186.42 of the statutes is created to read:

1           **186.42 Out-of-state credit union, branch offices. (1) APPROVAL.** A credit  
2 union organized and with its principal office in another state may open an office and  
3 conduct business as a credit union in this state with the approval of the  
4 commissioner. To receive approval, the commissioner must find that all of the  
5 following apply to the out-of-state credit union:

6           (a) It is a credit union organized under laws similar to the credit union laws of  
7 this state.

8           (b) It is financially solvent based upon national board ratings.

9           (c) It has member savings insured with federal share insurance.

10          (d) It is effectively examined and supervised by the credit union authorities of  
11 the state in which it is organized.

12          (e) It has received approval from the credit union authorities of the state in  
13 which it is organized.

14          (f) It has a need to place an office in this state to adequately serve its members  
15 in this state.

16           **(2) REQUIREMENTS.** An out-of-state credit union shall agree to do all of the  
17 following:

18           (a) Grant loans at rates not in excess of the rates permitted for credit unions  
19 organized in this state.

20           (b) Comply with this state's consumer protection provisions.

21           (c) Designate and maintain an agent for the service of process in this state.

22           **(3) RECORDS.** As a condition for an out-of-state credit union to do business in  
23 Wisconsin, the commissioner may require the state in which the credit union has its  
24 principal office to provide copies of examination reports and other related  
25 correspondence.

1           **SECTION 308.** 186.42 (1) (intro.) and (3) of the statutes, as created by 1995  
2 Wisconsin Act .... (this act), are amended to read:

3           186.42 **(1) APPROVAL.** (intro.) A credit union organized and with its principal  
4 office in another state may open an office and conduct business as a credit union in  
5 this state with the approval of the ~~commissioner~~ office of credit unions. To receive  
6 approval, the ~~commissioner~~ office of credit unions must find that all of the following  
7 apply to the out-of-state credit union:

8           **(3) RECORDS.** As a condition for an out-of-state credit union to do business in  
9 Wisconsin, the ~~commissioner~~ office of credit unions may require the state in which  
10 the credit union has its principal office to provide copies of examination reports and  
11 other related correspondence.

12           **SECTION 309.** 186.60 of the statutes is created to read:

13           **186.60 Venue.** An action brought by a credit union to enjoin the commissioner  
14 in the discharge of the commissioner's duties shall be brought in the county in which  
15 the credit union is located.

16           **SECTION 310.** 186.60 of the statutes, as created by 1995 Wisconsin Act .... (this  
17 act), is amended to read:

18           **186.60 Venue.** An action brought by a credit union to enjoin the ~~commissioner~~  
19 office of credit unions in the discharge of the ~~commissioner's~~ office's duties shall be  
20 brought in the county in which the credit union is located.

21           **SECTION 311.** 217.04 (2) of the statutes is amended to read:

22           217.04 **(2)** Credit unions, with respect to checks sold in the credit union office,  
23 except as provided in s. ~~186.33~~ 186.113 (22).

24           **SECTION 312.** 227.24 (1) (b) and (d) of the statutes are amended to read:

1           227.24 (1) (b) An agency acting under s. ~~186.012 (4)~~ 186.235 (21), 215.02 (18)  
2 or 220.04 (8) may promulgate a rule without complying with the notice, hearing and  
3 publication procedures under this chapter.

4           (d) A rule promulgated under par. (b) takes effect upon publication in the  
5 official state newspaper or on any later date specified in the rule and remains in effect  
6 for one year or until it is suspended or the proposed rule corresponding to it is  
7 objected to by the joint committee for review of administrative rules, whichever is  
8 sooner. If a rule under par. (b) is suspended or a proposed rule under s. ~~186.012 (4)~~  
9 186.235 (21), 215.02 (18) or 220.04 (8) is objected to by the joint committee for review  
10 of administrative rules, any person may complete any transaction entered into or  
11 committed to in reliance on that rule and shall have 45 days to discontinue other  
12 activity undertaken in reliance on that rule.

13           **SECTION 313.** 1995 Wisconsin Act 27, section 4878 is repealed.

14           **SECTION 314.** 1995 Wisconsin Act 27, sections 4881 to 4884 are repealed.

15           **SECTION 315.** 1995 Wisconsin Act 27, sections 4890 to 4894 are repealed.

16           **SECTION 316.** 1995 Wisconsin Act 27, section 4898 is repealed.

17           **SECTION 317.** 1995 Wisconsin Act 27, sections 4902 and 4903 are repealed.

18           **SECTION 318.** 1995 Wisconsin Act 27, sections 4915 to 4920 are repealed.

19           **SECTION 319.** 1995 Wisconsin Act 27, sections 4937 to 4988 are repealed.

20           **SECTION 320.** 1995 Wisconsin Act 27, sections 4995 to 4998 are repealed.

21           **SECTION 321.** 1995 Wisconsin Act 27, sections 5009 to 5017 are repealed.

22           **SECTION 322.** 1995 Wisconsin Act 27, section 9459 (7) is amended to read:

23           [1995 Wisconsin Act 27] **SECTION 9459 (7)** DEPARTMENT OF FINANCIAL  
24 INSTITUTIONS. The repeal of sections 15.55, 15.555 (title), 15.595 (title), 15.82, 15.825  
25 (title), 15.85, 20.124 (intro.) and (1) (title), 20.124 (1) (g), 20.141 (intro.) and (1) (title),

1 20.175, 20.185 (intro.) and (1) (title) and (g), 20.923 (4) (c) 5., 20.923 (4) (d) 3., 20.923  
2 (4) (d) 11., 186.01 (1), 186.012 (1), 186.119, 214.01 (1) (f), 215.01 (21), 215.02 (1), (2)  
3 and (3), 217.02 (6), 218.01 (1) (c), 218.01 (1) (d), 218.02 (1) (b), 218.05 (1) (a), 220.02  
4 (1), 220.02 (6), 230.08 (2) (L) 1., 230.08 (2) (L) 6. and 230.08 (2) (L) 7. of the statutes,  
5 the renumbering of sections 20.124 (1) (a), 20.124 (1) (u), 20.141 (1) (m) and 20.185  
6 (1) (h) of the statutes, the renumbering and amendment of sections 15.555 (1), 15.555  
7 (2), 15.59, 15.595 (1), 15.825 (1), 15.825 (2), 20.141 (title), 20.141 (1) (g), 138.09 (1)  
8 and 230.08 (2) (L) 3. of the statutes, the amendment of sections 15.01 (6), 15.02 (3)  
9 (c) 1., 15.06 (1) (b), 15.135 (5), 20.912 (4), 20.923 (4) (c) 3., 25.40 (1) (a) 2., 34.01 (2)  
10 (a), 34.03 (intro.), 34.03 (2), 34.03 (3), 34.03 (4), 34.08 (1), 34.08 (2), 34.08 (3), 34.09,  
11 34.10, 34.11, 35.86 (1), 66.412, 66.416 (2), 71.26 (1) (d), 112.07 (1), 138.052 (5) (am)  
12 2. a., 138.052 (5) (am) 2. b., 138.055 (4) (a), 138.055 (4) (b), 138.055 (4) (d), 138.056  
13 (1) (a) 4. a., 138.056 (1) (a) 4. b., 138.056 (1) (a) 4. d., 138.09 (2), 138.09 (3) (a), 138.09  
14 (3) (b), 138.09 (3) (c), 138.09 (3) (d), 138.09 (3) (e), 138.09 (3) (f), 138.09 (4) (intro.),  
15 138.09 (4) (a), 138.09 (4) (b), 138.09 (4a), 138.09 (6) (a), 138.09 (6) (b), 138.09 (7) (bn)  
16 4., 138.09 (11), 138.12 (1) (a), 138.12 (1) (c), 138.12 (2) (a), 138.12 (3) (b) (by SECTION  
17 4179), 138.12 (3) (c), 138.12 (4) (a) (by SECTION 4182), 138.12 (4) (am), 138.12 (4) (b)  
18 (intro.), 138.12 (5) (b), 138.12 (5) (c), 138.12 (6) (a), 138.12 (7), 177.30 (2), 186.012  
19 (title), 186.012 (2), ~~186.012 (3)~~, 186.012 (4), 186.015 (1), ~~186.015 (2)~~, ~~186.015 (3) (a)~~,  
20 ~~186.015 (3) (b)~~, ~~186.015 (3) (c)~~, 186.02 (1), 186.02 (3) (a), 186.02 (3) (b), 186.02 (4) (a),  
21 186.02 (4) (b), ~~186.03~~, ~~186.04 (1)~~, ~~186.04 (2)~~, ~~186.04 (5)~~, ~~186.098 (7)~~, 186.098 (8) (b),  
22 186.098 (10), 186.098 (12), ~~186.11 (1)~~, 186.11 (2) (b), 186.112, 186.113 (1), ~~186.113~~  
23 ~~(1m) (a) 3.~~, ~~186.113 (1m) (a) 4.~~, 186.113 (2), 186.113 (15) (a), 186.113 (15) (c), 186.113  
24 (15) (d), 186.115 (1), 186.115 (2), 186.116, 186.16 (2), 186.17 (2), 186.18, ~~186.19 (1)~~,  
25 ~~186.19 (2)~~, ~~186.19 (3)~~, ~~186.19 (4) (a)~~, ~~186.19 (4) (b)~~, ~~186.19 (5)~~, 186.21 (1), 186.21 (2),



1 186.21 (3), 186.21 (4), 186.22 (1) (intro.), 186.22 (2) (intro.), 186.22 (3) (intro.), 186.22  
2 (3) (a), 186.22 (3) (b), 186.22 (4) (d), 186.22 (4) (g), 186.22 (5) (c), 186.22 (6), 186.22  
3 (10), 186.22 (11), 186.22 (15), ~~186.23, 186.24 (1), 186.24 (2), 186.24 (3), 186.25, 186.26~~  
4 ~~(1) (a), 186.26 (1) (b), 186.26 (2), 186.27 (intro.), 186.27 (3) (intro.), 186.27 (3) (b),~~  
5 ~~186.28 (title), 186.28 (1), 186.28 (2), 186.29 (title), 186.29 (1) (intro.), 186.29 (1) (h),~~  
6 ~~186.29 (1m) (a), 186.29 (1m) (b), 186.29 (1p) (title), 186.29 (1p) (a), 186.29 (1p) (b),~~  
7 ~~186.29 (2) (intro.), 186.29 (2) (a), 186.29 (2) (b), 186.29 (2) (c), 186.29 (2) (d), 186.29~~  
8 ~~(3), 186.29 (4), 186.29 (5), 186.29 (6), 186.29 (7), 186.29 (8), 186.29 (9), 186.29 (10),~~  
9 ~~186.29 (11) (intro.), 186.29 (11) (a), 186.29 (11) (b), 186.29 (11) (c), 186.29 (11) (d),~~  
10 ~~186.29 (12), 186.29 (13) (a), 186.29 (13) (b), 186.29 (13) (c), 186.30 (1), 186.30 (2),~~  
11 ~~186.30 (3), 186.30 (5), 186.30 (7), 186.30 (8), 186.30 (9), 186.30 (11), 186.31 (1), 186.31~~  
12 ~~(2), 186.314 (2), 186.314 (3), 186.314 (4), 186.315, 186.33, 186.34 (2) (a), 186.34 (2)~~  
13 ~~(b), 186.34 (3) (intro.), 186.34 (4), 186.35 (1), 186.35 (2) (b), 186.35 (3) (n), 186.35 (3m)~~  
14 ~~(intro.), 186.35 (5) (d) 2., 186.35 (5) (f), 186.35 (7), 186.35 (8), 186.35 (9), 186.35 (11)~~  
15 ~~(a), 186.35 (11) (b), 186.37, 186.38 (2), 186.38 (5) (c), 186.38 (7), 186.38 (9), 186.38 (10),~~  
16 ~~186.38 (11), 186.41 (2) (b), 186.41 (4) (a), 186.41 (4) (b), 186.41 (4) (c), 186.41 (4) (d),~~  
17 ~~186.41 (4) (e), 186.41 (5) (intro.), 186.41 (5) (ct), 186.41 (5) (e), 186.41 (6) (a), 186.41~~  
18 ~~(8), 214.01 (1) (pm), 214.01 (1) (r), 214.015, 214.025, 214.03 (1), 214.03 (2), 214.035~~  
19 ~~(1), 214.035 (2), 214.04 (4), 214.04 (8), 214.04 (9), 214.04 (12) (intro.), 214.04 (14),~~  
20 ~~214.04 (17), 214.04 (18), 214.04 (20), 214.04 (21) (a), 214.04 (21) (b), 214.04 (21) (c),~~  
21 ~~214.04 (21) (d), 214.04 (25), 214.04 (26), 214.04 (27), 214.045, 214.06 (1) (intro.),~~  
22 ~~214.07, 214.08, 214.085 (1) (a), 214.085 (1) (b), 214.085 (1) (c), 214.085 (2), 214.09,~~  
23 ~~214.095 (3), 214.155 (2), 214.16 (2), 214.17 (1) (intro.), 214.17 (2), 214.17 (3), 214.17~~  
24 ~~(4), 214.17 (5), 214.18 (intro.), 214.18 (6), 214.18 (8), 214.20, 214.24 (1), 214.24 (2),~~  
25 ~~214.24 (3), 214.245 (intro.), 214.25 (1), 214.25 (2), 214.25 (3), 214.25 (5), 214.255 (1),~~

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3 214.26 (7) (c), 214.26 (8), 214.265 (1) (a), 214.265 (5), 214.265 (6), 214.265 (8), 214.265  
4 (9), 214.265 (10), 214.27 (1), 214.27 (2), 214.27 (3), 214.275, 214.305, 214.31 (1),  
5 214.34 (1), 214.34 (2), 214.345 (1), 214.345 (2), 214.345 (5) (intro.), 214.37 (4) (b),  
6 214.37 (5), 214.375, 214.40 (1), 214.40 (2), 214.42 (1), 214.42 (2), 214.43 (1), 214.435  
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8 214.485 (17), 214.49 (intro.), 214.49 (5) (intro.), 214.49 (15), 214.51 (1), 214.51 (2),  
9 214.52 (3), 214.525, 214.53 (3), 214.54 (1), 214.545, 214.58 (1), 214.585 (5), 214.592,  
10 214.62 (2) (e), 214.62 (3), 214.62 (4) (intro.), 214.62 (5), 214.625, 214.63, 214.64,  
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12 214.66 (5), 214.66 (7), 214.665 (1), 214.665 (2), 214.67 (1), 214.67 (2), 214.675 (1),  
13 214.675 (2), 214.675 (3), 214.675 (4), 214.675 (5), 214.68 (1) (b), 214.68 (1) (d), 214.68  
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17 214.715 (3), 214.715 (4) (a), 214.715 (4) (b), 214.72 (1) (b), 214.72 (3), 214.725 (1),  
18 214.725 (2), 214.725 (3) (f), 214.725 (4), 214.725 (5), 214.725 (7), 214.735, 214.74  
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20 214.75 (3), 214.75 (4), 214.75 (5) (a), 214.755 (1) (intro.), 214.76 (1), 214.76 (3), 214.76  
21 (4), 214.76 (5) (a) (intro.), 214.76 (5) (a) 3., 214.76 (5) (b), 214.765 (1), 214.765 (2),  
22 214.765 (3), 214.772 (4) (a) 5., 214.772 (4) (b) (intro.), 214.772 (4) (b) 1., 214.772 (4)  
23 (c) (intro.), 214.772 (4) (c) 2., 214.772 (4) (c) 3., 214.772 (5), 214.772 (6), 214.772 (7),  
24 214.775 (intro.), 214.78 (1) (a), 214.78 (1) (b), 214.78 (1) (c), 214.78 (3), 214.785 (1),  
25 214.785 (2), 214.82 (title), 214.82 (1) (intro.), 214.82 (1) (a), 214.82 (1) (b), 214.82 (1)

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3 214.90 (1) (b), 214.90 (5), 214.90 (6), 214.905 (1) (intro.), 214.905 (1) (c), 214.905 (2),  
4 214.91 (1) (intro.), 214.91 (1) (a), 214.91 (2) (intro.), 214.915 (1), 214.92, 214.925 (1),  
5 214.93, 214.935 (intro.), 214.935 (1), 215.01 (6), 215.01 (19), 215.01 (20) (a), 215.01  
6 (20) (b), 215.02 (4), 215.02 (5), 215.02 (6) (a) (intro.), 215.02 (6) (a) 3., 215.02 (6) (a)  
7 4. (intro.), 215.02 (6) (a) 4. a., 215.02 (6) (a) 4. b., 215.02 (6) (a) 5., 215.02 (6) (a) 6.,  
8 215.02 (7) (title), 215.02 (7) (a), 215.02 (7) (c), 215.02 (7) (d), 215.02 (8), 215.02 (9),  
9 215.02 (10) (a) 1. (intro.), 215.02 (10) (a) 1. b., 215.02 (10) (a) 2., 215.02 (10) (a) 3.,  
10 215.02 (10) (b), 215.02 (11) (a), 215.02 (11) (b), 215.02 (12), 215.02 (14) (title), 215.02  
11 (14) (a), 215.02 (15) (a) 1. (intro.), 215.02 (15) (b), 215.02 (15) (c), 215.02 (15) (d),  
12 215.02 (16) (a), 215.02 (16) (b), 215.02 (16) (c) 1., 215.02 (16) (c) 2., 215.02 (16) (d),  
13 215.02 (17) (a), 215.02 (17) (b), 215.02 (18), 215.03 (1), 215.03 (2) (a), 215.03 (2) (b),  
14 215.03 (5) (title), 215.03 (5) (a), 215.03 (5) (b), 215.03 (6) (a) 1., 215.03 (6) (a) 2. c.,  
15 215.03 (6) (a) 3., 215.03 (6) (b), 215.03 (7) (a), 215.03 (7) (b), 215.03 (8) (a), 215.03 (8)  
16 (b), 215.03 (8) (c), 215.04 (1) (a), 215.04 (1) (b), 215.04 (1) (c), 215.04 (3) (b), 215.04 (4),  
17 215.04 (6), 215.11 (1), 215.11 (2), 215.11 (3), 215.11 (4) (a), 215.11 (4) (b), 215.11 (5),  
18 215.13 (21), 215.13 (22), 215.13 (26) (intro.), 215.13 (26) (f), 215.13 (27), 215.13 (28),  
19 215.13 (31), 215.13 (36), 215.13 (39), 215.13 (40), 215.13 (41), 215.13 (42), 215.13 (46)  
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21 215.135 (2), 215.141, 215.15 (1), 215.15 (3) (a) (intro.), 215.15 (3) (b), 215.15 (3) (c),  
22 215.16 (intro.), 215.18 (3), 215.20 (2), 215.205 (intro.), 215.205 (4), 215.21 (1) (intro.),  
23 215.21 (1) (c), 215.21 (5) (a), 215.21 (6) (a), 215.21 (7) (intro.), 215.21 (7) (c), 215.21  
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7 (intro.), 215.32 (13) (a), 215.32 (13) (b), 215.32 (13) (c), 215.32 (13) (d), 215.32 (14),  
8 215.32 (15) (a), 215.32 (15) (b), 215.32 (15) (c), 215.33 (3) (a) 5., 215.33 (3) (b) (intro.),  
9 215.33 (3) (b) 1., 215.33 (3) (b) 2., 215.33 (3) (c) (intro.), 215.33 (3) (c) 2., 215.33 (3) (c)  
10 3., 215.33 (4), 215.33 (5), 215.33 (6), 215.35 (1) (intro.), 215.36 (2) (b), 215.36 (3) (b),  
11 215.36 (5) (a) (intro.), 215.36 (5) (b), 215.36 (5) (c), 215.36 (5) (d), 215.36 (5) (e), 215.36  
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13 215.40 (2) (intro.), 215.40 (2) (d), 215.40 (3), 215.40 (4) (e), 215.40 (5), 215.40 (6) (a),  
14 215.40 (6) (b), 215.40 (6) (d), 215.40 (6) (e), 215.40 (7) (a), 215.40 (7) (b) (intro.), 215.40  
15 (7) (b) 2., 215.40 (7) (b) 3., 215.40 (7) (c), 215.40 (8), 215.40 (11), 215.40 (13) (a) (intro.),  
16 215.40 (13) (a) 1., 215.40 (13) (a) 3., 215.40 (13) (a) 9., 215.40 (13) (b), 215.40 (14),  
17 215.40 (15), 215.40 (17), 215.40 (18), 215.41 (1), 215.41 (2), 215.41 (3), 215.41 (5),  
18 215.42 (1), 215.42 (2), 215.42 (3), 215.50 (1), 215.50 (6), 215.50 (7), 215.50 (10), 215.50  
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20 215.56 (6), 215.56 (7) (a), 215.56 (7) (b) (intro.), 215.56 (7) (b) 3., 215.56 (8), 215.57  
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22 215.58 (1) (c) (intro.), 215.58 (1) (c) 2., 215.58 (2) (intro.), 215.58 (2) (c), 215.58 (3),  
23 215.58 (6) (intro.), 215.59 (1) (c), 215.59 (1) (d) 3., 215.59 (1) (e) 1., 215.59 (1) (e) 3.,  
24 215.59 (1) (f) (intro.), 215.59 (1) (f) 3., 215.59 (1) (g), 215.59 (3) (a) 10., 215.59 (3) (a)  
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6 (b) (intro.), 215.76 (7) (b) 3., 215.76 (8), 215.77 (1) (b), 215.77 (1) (d) 1., 215.77 (1) (d)  
7 2., 215.77 (4), 217.02 (3), 217.02 (10), 217.03 (1), 217.03 (2), 217.05 (intro.), 217.05 (5)  
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10 217.09 (3), 217.09 (4), 217.09 (5), 217.09 (6), 217.10 (intro.), 217.10 (2), 217.12 (4),  
11 217.15, 217.17 (1), 217.17 (2), 217.18 (1), 217.18 (2), 217.18 (3), 217.19 (title), 217.19  
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14 218.01 (2) (bc), 218.01 (2) (bd) 1. and 1g., 218.01 (2) (bd) 2., 218.01 (2) (bf), 218.01 (2)  
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18 218.01 (2a) (a), 218.01 (2a) (b), 218.01 (2a) (c), 218.01 (2w) (b), 218.01 (3) (a) 17.,  
19 218.01 (3) (a) 36. a., 218.01 (3) (a) 36. b., 218.01 (3) (bf) 1., 218.01 (3) (c) 3., 218.01 (3)  
20 (f) 1., 218.01 (3) (fm) 1., 218.01 (3) (g), 218.01 (3) (h), 218.01 (3a) (title), 218.01 (3a)  
21 (a), 218.01 (3a) (b), 218.01 (3a) (c), 218.01 (3c) (c), 218.01 (3c) (d), 218.01 (3x) (b) 1.,  
22 2. and 3., 218.01 (5) (b) 1., 218.01 (5) (b) 3., 218.01 (6) (b) (intro.), 218.01 (6) (em),  
23 218.01 (7a) (a), 218.01 (7a) (b), 218.01 (7b), 218.02 (2) (a), 218.02 (2) (b) (by SECTION  
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3 (intro.), 218.04 (5) (a) 1., 218.04 (5) (a) 2., 218.04 (5) (c), 218.04 (6) (a), 218.04 (6) (b),  
4 218.04 (6) (c) (intro.), 218.04 (7) (intro.), 218.04 (7) (b), 218.04 (7) (c), 218.04 (8),  
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8 218.05 (3) (b) (by SECTION 5950), 218.05 (3) (c), 218.05 (4), 218.05 (6), 218.05 (8),  
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10 218.05 (12) (a) 1., 218.05 (12) (a) 2., 218.05 (12) (a) 3., 218.05 (12) (b), 218.05 (12) (c),  
11 218.05 (12) (d), 218.05 (12) (e), 218.05 (13), 218.05 (14) (a), 218.05 (14) (b) 1., 218.05  
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15 220.04 (3), 220.04 (4), 220.04 (5), 220.04 (6) (a), 220.04 (6) (d), 220.04 (7) (b) (intro.),  
16 220.04 (7) (b) 1., 220.04 (8), 220.04 (9) (a) 2., 220.04 (9) (b) (intro.), 220.04 (9) (b) 1.,  
17 220.04 (9) (b) 3., 220.04 (9) (d), 220.04 (9) (e) 1., 220.04 (9) (f) 1., 220.04 (9) (g) (intro.),  
18 220.04 (10), 220.05 (title), 220.05 (1), 220.05 (2), 220.05 (5), 220.05 (6), 220.06 (1),  
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20 220.075 (3), 220.075 (4), 220.08 (title), 220.08 (1), 220.08 (2), 220.08 (2a), 220.08 (3),  
21 220.08 (3a), 220.08 (3b), 220.08 (4), 220.08 (5), 220.08 (6), 220.08 (7), 220.08 (8),  
22 220.08 (9), 220.08 (10), 220.08 (11), 220.08 (12), 220.08 (13), 220.08 (14), 220.08 (15),  
23 220.08 (16), 220.08 (17), 220.08 (18), 220.08 (19) (intro.), 220.08 (19) (b), 220.08 (19)  
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2 221.01 (11), 221.01 (12) (b), 221.01 (12) (c), 221.01 (12) (d) 1., 221.01 (12) (d) 2., 221.01  
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5 221.04 (1) (jm) 6., 221.04 (1) (jm) 8., 221.04 (1) (jm) 9., 221.04 (1) (k) 1., 221.04 (1) (k)  
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14 221.26, 221.27 (2), 221.27 (3) (g), 221.28, 221.29 (1) (f), 221.295 (1), 221.295 (2),  
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21 223.105 (6), 223.12 (1), 224.06 (1), 224.06 (3), 224.06 (4), 224.06 (5), 224.075, 227.52,  
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25 551.22 (14), 551.22 (17), 551.23 (2), 551.23 (3) (c), 551.23 (3) (d), 551.23 (8) (f), 551.23

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4 551.24 (1), 551.24 (2), 551.24 (4) (intro.), 551.24 (6), 551.25 (2) (b), 551.25 (2) (c),  
5 551.25 (2) (d), 551.25 (3) (a) 2., 551.25 (3) (a) 3., 551.25 (3) (b), 551.26 (2), 551.26 (3),  
6 551.26 (4), 551.27 (1), 551.27 (4), 551.27 (5), 551.27 (7), 551.27 (8), 551.27 (9), 551.27  
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10 551.32 (1) (b), 551.32 (1) (c) (intro.), 551.32 (1) (c) 2., 551.32 (1) (c) 4., 551.32 (1) (d),  
11 551.32 (2), 551.32 (4), 551.32 (5), 551.32 (6), 551.32 (7), 551.33 (1), 551.33 (2), 551.33  
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13 551.34 (1) (k), 551.34 (1) (m), 551.34 (2), 551.34 (3), 551.34 (4), 551.34 (5), 551.34 (6),  
14 551.43, 551.44, 551.51 (1), 551.51 (2), 551.52 (1) (b) (intro.), 551.52 (3), 551.52 (4),  
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18 551.605 (1) (a) (intro.), 551.605 (1) (a) 1., 551.605 (1) (c), 551.605 (1) (d), 551.605 (2),  
19 551.61 (1), 551.61 (2), 551.61 (3), 551.61 (5), 551.62 (1), 551.62 (2), 551.63 (1), 551.63  
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21 551.65 (1), 551.65 (2), 551.65 (3), 552.01 (1), 552.01 (2), 552.03 (1) (intro.), 552.03 (3),  
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23 552.05 (5), 552.05 (6), 552.07 (1), 552.07 (2), 552.08, 552.09 (5), 552.11 (2), 552.11 (5),  
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2 553.22 (3) (d), 553.235 (2) (b), 553.24 (1), 553.24 (2), 553.24 (4) (intro.), 553.24 (6),  
3 553.25, 553.26 (intro.), 553.26 (4), 553.26 (7) (intro.), 553.26 (18), 553.26 (20), 553.27  
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5 553.27 (11) (a), 553.27 (11) (b), 553.28 (1) (intro.), 553.28 (1) (a), 553.28 (1) (e), 553.28  
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8 553.53 (2), 553.54 (1), 553.54 (3), 553.54 (4), 553.55 (1), 553.55 (2), 553.55 (3) (a),  
9 553.56 (1), 553.56 (2), 553.56 (3), 553.56 (5), 553.57, 553.58 (1), 553.58 (2), 553.58 (3),  
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12 553.72 (3), 553.73, 553.74 (1), 553.74 (2), 553.75 (1), 553.75 (2), 553.75 (3), 553.75 (4),  
13 553.75 (5), 553.78, 601.415 (9), 611.76 (11), 616.74 (1) (c), 701.107 (4), 701.108 (1) (b),  
14 701.108 (1) (c), 701.108 (1) (d), 701.108 (1) (e), 701.108 (2) (intro.), 701.108 (2) (f)  
15 (intro.), 701.108 (2) (i), 701.108 (3) (b) 2., 701.108 (3m) (b), 766.565 (7) and 813.16 (7)  
16 of the statutes, the repeal and recreation of sections 215.02 (title) and 218.01 (2) (bd)  
17 1g. of the statutes, the creation of sections 15.18, 15.183, 15.185 (title), 15.185 (7)  
18 (title), 20.144 (intro.), 20.144 (1) (title), 20.144 (1) (g), 20.923 (4) (f) 3f., 138.09 (1d),  
19 214.01 (1) (im), 214.72 (1) (am), 217.02 (2m), 218.02 (1) (d), 218.05 (1) (d), 220.01 (1m),  
20 230.08 (2) (e) 4f. and 701.107 (3m) of the statutes and SECTIONS 9106 (1), 9115 (1),  
21 9149 (1), 9151 (1), 9206 (1), 9249 (1) and (2) and 9251 (1) and (2) of this act take effect  
22 on July 1, 1996.

23 **SECTION 323. Nonstatutory provisions.**

24 (1) If a credit union is required to amend its bylaws under this act, the credit  
25 union shall submit for approval its amended bylaws to the office of the commissioner

1 of credit unions before the first day of the 4th month beginning after publication. The  
2 office of the commissioner of credit unions shall process an amended bylaws  
3 submission within 270 days after the date on which an amended bylaws submission  
4 is received.

5 **SECTION 324. Effective dates.** This act takes effect on the day after  
6 publication, except as follows:

7 (1) The repeal of section 186.235 (1m) of the statutes, the amendment of  
8 sections 186.015 (2) (a) and (b), 186.015 (2) (c), 186.015 (3), 186.015 (4) (b), 186.015  
9 (5), 186.03 (3), 186.098 (9m), 186.113 (1s), 186.113 (22), 186.15 (2) and (3), 186.235  
10 (1), 186.235 (3), 186.235 (3m), 186.235 (4), 186.235 (5), 186.235 (7) (a) (intro.),  
11 186.235 (7) (b), 186.235 (9), 186.235 (10) (a) (intro.), 186.235 (10) (a) 2., 186.235 (10)  
12 (b), 186.235 (10) (c), 186.235 (10) (d), 186.235 (12), 186.235 (13), 186.235 (14) (a), (b)  
13 and (e), 186.235 (15) (a), 186.235 (16), 186.235 (17), 186.235 (18), 186.235 (19),  
14 186.235 (20), 186.31 (2m), 186.35 (14), 186.42 (1) (intro.) and (3) and 186.60 of the  
15 statutes and the repeal and recreation of sections 186.015 (1), 186.02 (1), 186.02 (3)  
16 (a), 186.02 (3) (b), 186.02 (4) (a), 186.02 (4) (b), 186.098 (8) (b), 186.098 (10), 186.11  
17 (1) (e), 186.11 (2) (b), 186.112, 186.113 (1), 186.113 (2), 186.115 (2), 186.16 (2), 186.17  
18 (2), 186.18, 186.21 (1), 186.21 (2), 186.21 (3), 186.21 (4), 186.22 (11), 186.235 (title),  
19 186.235 (2), 186.235 (8), 186.235 (11), 186.31 (1), 186.31 (2), 186.314 (2), (3) and (4),  
20 186.315, 186.34 (4) and 186.35 (8) of the statutes take effect on July 1, 1996, or the  
21 day after publication, whichever is later.

22 (END)