

Senate

Record of Committee Proceedings

Committee on Privacy, Electronic Commerce and Financial Institutions

Clearinghouse Rule 99-145

Relating to credit union examinations.

Submitted by the Department of Financial Institutions.

February 16, 2000 Referred to Committee on Privacy, Electronic Commerce and Financial Institutions.

March 8, 2000 **PUBLIC HEARING HELD**

Present: (4) Senators Erpenbach, Plache, Rude and Fitzgerald.

Absent: (1) Senator Jauch.

Appearances for

- Ginger Larson, Department of Financial Institutions

Appearances against

- None.

Appearances for Information Only

- None.


Registrations for

- None.

Registrations against

- None.

March 16, 2000 **NO ACTION TAKEN**


Carrie Templeton
Committee Clerk

Chapter DFI-CU 64

PUBLIC INSPECTION AND COPYING OF RECORDS OF THE OFFICE OF CREDIT UNIONS

DFI-CU 64.01 Purpose and intent.
DFI-CU 64.02 Exclusions.
DFI-CU 64.03 Availability of information.

DFI-CU 64.04 Identification of legal custodian to handle requests for public records.
DFI-CU 64.05 Cost of records.

Note: Chapter CU 64 was renumbered chapter DFI-CU 64 under s. 13.93 (2m) (b) 1., Stats., and corrections made under s. 13.93 (2m) (b) 6. and 7., Stats., Register, October, 1997, No. 502.

DFI-CU 64.01 Purpose and intent. (1) It is the purpose and intent of this rule to permit public inspection and the copying of the "public records" of credit unions other than those excluded in s. DFI-CU 64.02 or those expressly privileged or denied elsewhere in the statutes.

(2) Public records includes all books, papers, maps, photographs, films, recordings, property and things, or other documentary materials or any copy thereof regardless of physical form or characteristics made or received by the office of credit unions, its officers or employes, in connection with the transaction of public business and retained by the agency or its successor as evidence of its activities and function.

History: Cr. Register, May, 1977, No. 257, eff. 6-1-77.

DFI-CU 64.02 Exclusions. The following records are not available to the public if the legal custodian determines that the public interest in non-disclosure outweighs the benefits of open access.

(1) Routine or special examination reports or financial condition reports of the individual credit union(s) regulated; the examiner worksheets in support of such examination(s) and any correspondence to or from the credit union(s) relating to that particular examination(s), or correspondence and/or reports from the Wisconsin credit union savings insurance corporation relating to such examinations.

(2) Examiner guides and/or manuals of procedures for conducting of such examinations by staff examiner(s).

(3) Data processing report analyses of statistics and the financial ratios of such examinations.

(4) Information of a personal nature where public disclosure would constitute a clearly unwarranted invasion of personal privacy, unless the public interest by clear evidence requires disclosure in a particular instance.

(5) Communications between the agency and its legal counsel concerning the legal rights and duties of the agency if publication would adversely affect the agency's position in an adversary or bargaining situation.

(6) Records obtained under a clear pledge of confidentiality, if the pledge was made in order to obtain the information contained in them and was necessary to obtain the information contained in them. The foregoing would include copies of legal opinions from the attorneys of the Wisconsin credit union league and the Wisconsin credit union savings insurance corporation, and any reports obtained from these organizations under a clear pledge of confidentiality.

(7) Records of the agency's deliberations after a quasi-judicial hearing.

History: Cr. Register, May, 1977, No. 257, eff. 6-1-77.

DFI-CU 64.03 Availability of information. (1) The agency shall respond in writing within 5 working days to indicate whether the request would be denied or granted. Any person who is denied access to records shall be entitled to a written explanation from the agency stating the reasons for the denial.

(2) If granted, the actual information is to be produced within 20 working days, unless extreme circumstances prevent producing the information within that time period.

(3) If agency working schedules permit, if granted, the information is to be released the same day.

(4) Requests of the agency for the desired information may be made only during the usual working hours.

History: Cr. Register, May, 1977, No. 257, eff. 6-1-77.

DFI-CU 64.04 Identification of legal custodian to handle requests for public records. The decision maker shall be the chief examiner; or the supervisory examiner. The applicant has the privilege of appealing the decisions to the director in writing, within 5 working days. Any person who is denied access to records shall upon written request be entitled to a written explanation from the director stating the reasons for the denial.

History: Cr. Register, May, 1977, No. 257, eff. 6-1-77.

DFI-CU 64.05 Cost of records. Unless copied by the person requesting the material, the per page cost of providing photocopies of the requested records shall be at the cost per page of providing examination reports to the Wisconsin credit union savings insurance corporation as required by s. 186.35 (8), Stats. The agency records may not be removed from its offices.

History: Cr. Register, May, 1977, No. 257, eff. 6-1-77.

*Chapter 19
Subchapter II*

*186.235
(7)*

*DFI
Open
Records
Policy*

JON ERPENBACH

STATE SENATOR

Policy advisor
Lisa Boyle

Hearing
Why not held?

TO: Members of the Senate Privacy, Electronic Commerce and Financial Institutions Committee
FR: Senator Jon Erpenbach, Chair
RE: Clearinghouse Rules 99-145, 99-146
DT: February 18, 2000

Attached are copies of Clearinghouse Rules 99-145 and 99-146 relating to credit unions. Rule 99-145 is an order to repeal chapter DFI-CU 52, relating to credit union examinations. Rule 99-146 is an order to repeal chapter DFI-CU 64, relating to public inspection and copying of records of the office of credit unions. If you would like to hold a hearing on either of the above matters please contact my office by March 16, 2000.

99-145 - Examination process changes similar to other financial institutions?

99-146

* are there any differences in current policy and DFI Secretary - can we please see the language from the old rule and the DFI Secretary rule.

Copies of the language

146 - inappropriate policy + rule
145 - clarifys - repeal separately addressed institute

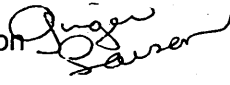
CORRESPONDENCE / MEMORANDUM

STATE OF WISCONSIN
DEPARTMENT OF FINANCIAL INSTITUTIONS
Office of Credit Unions

DATE: February 15, 2000

TO: Senator Fred Risser
President
Wisconsin State Senate

Representative Scott Jensen
Speaker
Wisconsin State Assembly

FROM: Ginger Larson 
Director
Office of Credit Unions

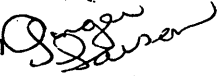
SUBJECT: Notice Regarding CR 99-145

Pursuant to s. 227.19(2), Stats., notice is hereby given that CR 99-145 (proposed rule DFI-CU 52) is hereby submitted to the presiding officer of each house of the legislature that CR 99-145 is in final draft form. Pursuant to s. 227.19(3), Stats., the following documentation accompanies this notice: departmental report, analysis and rule, Legislative Council report and fiscal estimate. If you have any questions regarding this matter of the enclosed, please contact me at 261-9543.

DATE: February 15, 2000

TO: Senator Fred Risser
President
Wisconsin State Senate

Representative Scott Jensen
Speaker
Wisconsin State Assembly

FROM: Ginger Larson 
Director
Office of Credit Unions

SUBJECT: Report on CR 99-145

This report is submitted pursuant to s. 227.19, Stats., regarding CR 99-145 (proposed rule Ch. DFI-CU 52).

1. STATEMENT EXPLAINING THE NEED FOR THE PROPOSED RULE

As Chapter 186, Wisconsin Statutes, has been updated and amended throughout the years, certain provisions of the existing Administrative Code have been incorporated in Chapter 186. The provisions of existing Ch. DFI-CU 52 are incorporated in sections 186.235(14), 186.235(16), 186.235(17) and 186.235(18), Stats. Ch. DFI-CU 52.03(2) references s. 186.26, Stats., which has been repealed. This section of the rule is no longer applicable.

2. MODIFICATIONS MADE AS A RESULT OF TESTIMONY RECEIVED AT THE PUBLIC HEARING

No hearing was held pursuant to s. 227.16(2)(e), Stats.

3. PERSONS APPEARING OR REGISTERING FOR OR AGAINST THE PROPOSED RULE AT THE PUBLIC HEARING

No hearing was held pursuant to s. 227.16(2)(e), Stats.

4. RESPONSE TO LEGISLATIVE COUNCIL RECOMMENDATIONS

No recommendations were made by the Legislative Council.

5. FINAL REGULATORY FLEXIBILITY ANALYSIS

Pursuant to s. 227.19(3m), Stats., a final regulatory flexibility analysis is not required.

PROPOSED RULE
STATE OF WISCONSIN
DEPARTMENT OF FINANCIAL INSTITUTIONS
OFFICE OF CREDIT UNIONS

Analysis: To repeal DFI-CU 52. Statutory authority: ss. 186.235(8) and 227.11(2), Stats.

Summary: Ch. DFI-CU 52 outlines procedures for conducting credit union examinations, collecting examination fees, special examinations and issues regarding credit union books and records. As Chapter 186, Stats., has been updated and amended throughout the years, certain provisions of the existing Administrative Code have been incorporated into Chapter 186. The provisions of existing Ch. DFI-CU 52 are incorporated into ss. 186.235(14), 186.235(16), 186.235(17) and 186.235(18), Stats. Ch. DFI-CU 52.03(2) references s. 186.26, Stats. which has been repealed. This section of the rule is no longer applicable. The repeal of this rule was approved by the Credit Union Review Board pursuant to s. 186.235(8), Stats. Agency person to be contacted for substantive questions and responsible for agency's internal processing: Ginger Larson, Director, Office of Credit Unions, 261-9543.

Section 1. Ch. DFI-CU 52 is repealed.

WISCONSIN LEGISLATIVE COUNCIL STAFF



RULES CLEARINGHOUSE

Ronald Sklansky
Director
(608) 266-1946



Jane R. Henkel, Acting Director
Legislative Council Staff
(608) 266-1304

Richard Sweet
Assistant Director
(608) 266-2982

One E. Main St., Ste. 401
P.O. Box 2536
Madison, WI 53701-2536
FAX: (608) 266-3830

CLEARINGHOUSE REPORT TO AGENCY

[THIS REPORT HAS BEEN PREPARED PURSUANT TO S. 227.15, STATS. THIS IS A REPORT ON A RULE AS ORIGINALLY PROPOSED BY THE AGENCY; THE REPORT MAY NOT REFLECT THE FINAL CONTENT OF THE RULE IN FINAL DRAFT FORM AS IT WILL BE SUBMITTED TO THE LEGISLATURE. THIS REPORT CONSTITUTES A REVIEW OF, BUT NOT APPROVAL OR DISAPPROVAL OF, THE SUBSTANTIVE CONTENT AND TECHNICAL ACCURACY OF THE RULE.]

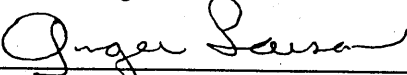
CLEARINGHOUSE RULE 99-145

AN ORDER to repeal chapter DFI-CU 52, relating to credit union examinations.

Submitted by **DEPARTMENT OF FINANCIAL INSTITUTIONS**

10-15-99 RECEIVED BY LEGISLATIVE COUNCIL.
11-08-99 REPORT SENT TO AGENCY.

RS:RW:jal

FISCAL ESTIMATE DOA-2048 N(R06/99)		1999 Session		LRB Number 99-145	
		<input checked="" type="checkbox"/> ORIGINAL <input type="checkbox"/> UPDATED <input type="checkbox"/> CORRECTED <input type="checkbox"/> SUPPLEMENTAL		Bill Number	
Subject Repeal of Chapter DFI-CU 52, Wisconsin Administrative Code				Amendment No. if Applicable	
				Administrative Rule Number	
Fiscal Effect					
State: <input checked="" type="checkbox"/> No State Fiscal Effect					
Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.					
<input type="checkbox"/> Increase Existing Appropriation <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Appropriation <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Create New Appropriation		<input type="checkbox"/> Increase Costs - May be possible to Absorb Within Agency's Budget <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decrease Costs			
Local: <input checked="" type="checkbox"/> No local government costs					
1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		3. <input type="checkbox"/> Increase Revenues <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenues <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		5. Types of Local Governmental Units Affected: <input type="checkbox"/> Towns <input type="checkbox"/> Villages <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others _____ <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts	
Fund Sources Affected <input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEG-S			Affected Chapter 20 Appropriations		
Assumptions Used in Arriving at Fiscal Estimate					
The proposed repeal of DFI-CU 52 is the result of updates and amendments throughout the years to Chapter 186, Wisconsin Statutes and has no effect on government expenditures at any level.					
Long-Range Fiscal Implications None					
Prepared by: Ginger Larson		Telephone No. 266-8893		Agency DFI-OCU	
Authorized Signature: 		Telephone No. 266-8893		Date 11-15-99	

FISCAL ESTIMATE WORKSHEET

1999 Session

Detailed Estimate of Annual Fiscal Effect
DOA-2047 (R06/99)

LRB Number 99-145	Amendment No. if Applicable
Bill Number	Administrative Rule Number

- ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

Subject

Repeal of Chapter DFI-CU 52, Wisconsin Administrative Code

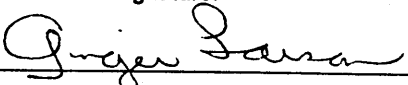
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):

0

II. Annualized Costs:		Annualized Fiscal impact on State funds from:	
A. State Costs by Category		Increased Costs	Decreased Costs
State Operations - Salaries and Fringes		\$ 0	\$ -0
(FTE Position Changes)		(0 FTE)	(-0 FTE)
State Operations - Other Costs		0	-0
Local Assistance		0	-0
Aids to Individuals or Organizations		0	-0
TOTAL State Costs by Category		\$ 0	\$ -0
B. State Costs by Source of Funds		Increased Costs	Decreased Costs
GPR		\$ 0	\$ -0
FED		0	-0
PRO/PRS		0	-0
SEG/SEG-S		0	-0
State Revenues	Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)	Increased Rev.	Decreased Rev.
GPR Taxes		\$	\$ -
GPR Earned			-
FED			-
PRO/PRS			-
SEG/SEG-S			-
TOTAL State Revenues		\$	\$ -

NET ANNUALIZED FISCAL IMPACT

	STATE	LOCAL
NET CHANGE IN COSTS	\$ 0	\$ 0
NET CHANGE IN REVENUES	\$ 0	\$ 0

Prepared by: Ginger Larson	Telephone No. 266-8893	Agency DFI-OCU
Authorized Signature: 	Telephone No. 266-8898	Date 11-15-99