



WISCONSIN LEGISLATIVE COUNCIL RULES CLEARINGHOUSE

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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 01-041

AN ORDER to create DFI-SL 16.05, relating to investments in development companies.

Submitted by **DEPARTMENT OF FINANCIAL INSTITUTIONS**

04-17-01 RECEIVED BY LEGISLATIVE COUNCIL.

05-11-01 REPORT SENT TO AGENCY.

RS:NZ;jal;ksm

LEGISLATIVE COUNCIL RULES CLEARINGHOUSE REPORT

This rule has been reviewed by the Rules Clearinghouse. Based on that review, comments are reported as noted below:

1. STATUTORY AUTHORITY [s. 227.15 (2) (a)]

Comment Attached YES NO

2. FORM, STYLE AND PLACEMENT IN ADMINISTRATIVE CODE [s. 227.15 (2) (c)]

Comment Attached YES NO

3. CONFLICT WITH OR DUPLICATION OF EXISTING RULES [s. 227.15 (2) (d)]

Comment Attached YES NO

4. ADEQUACY OF REFERENCES TO RELATED STATUTES, RULES AND FORMS
[s. 227.15 (2) (e)]

Comment Attached YES NO

5. CLARITY, GRAMMAR, PUNCTUATION AND USE OF PLAIN LANGUAGE [s. 227.15 (2) (f)]

Comment Attached YES NO

6. POTENTIAL CONFLICTS WITH, AND COMPARABILITY TO, RELATED FEDERAL
REGULATIONS [s. 227.15 (2) (g)]

Comment Attached YES NO

7. COMPLIANCE WITH PERMIT ACTION DEADLINE REQUIREMENTS [s. 227.15 (2) (h)]

Comment Attached YES NO



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Comments

[NOTE: All citations to “Manual” in the comments below are to the Administrative Rules Procedures Manual, prepared by the Revisor of Statutes Bureau and the Legislative Council Staff, dated September 1998.]

5. Clarity, Grammar, Punctuation and Use of Plain Language

In the analysis section, “DFI-SB 16.05” should be changed to “DFI-SL 16.05.”

PROPOSED RULE
STATE OF WISCONSIN
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF SAVINGS INSTITUTIONS

Analysis: To create s. DFI—SL 16.05. Statutory authority: s. 215.135, Stats. Summary: Currently state-chartered banks are authorized to invest, in an amount not to exceed in the aggregate 5% of its capital, in shares of small business investment companies located in this state. However, similar authorization does not exist for state-chartered savings and loan associations. This rule authorizes state-chartered savings and loan associations to similarly invest. This rule helps state-chartered savings and loan associations to remain competitive with other financial institutions. Agency person to be contacted for substantive questions and responsible for the agency's internal processing: Mark Schlei, Deputy General Counsel, Department of Financial Institutions, Office of the Secretary, tel. (608) 267-1705.

SECTION 1: SECTION DFI—SL 16.05 is created to read:

DFI—SL 16.05 INVESTMENTS IN DEVELOPMENT COMPANIES. A savings and loan association is authorized to invest, in an amount not to exceed in the aggregate 5% of its capital, in shares of small business investment companies located in this state.

does
"capital"
have mean
in s&l
assoc.?

NOTICE OF HEARING

Pursuant to s. 227.17, Stats., notice is hereby given that the Department of Financial Institutions, Division of Savings Institutions will hold a public hearing at the time and place indicated below to consider creating rules allowing savings savings and loan associations to invest in small business investment companies located in this state.

Date, Time and Place of Hearing

Date & Time

**May 21, 2001
Monday
9:00 a.m.**

Location

**Tommy G. Thompson Conference Room
5th Floor
Department of Financial Institutions
345 West Washington Avenue
Madison, WI 53703**

This facility is accessible to individuals with disabilities through levels A, B or the first floor lobby. If you require reasonable accommodation to access any meeting, please call Lisa Bauer at (608) 264-7877 or TDY (608) 266-8818 for the hearing impaired at least 10 days prior to the hearing date. Reasonable accommodation includes materials prepared in an alternative format, as provided by the Americans with Disabilities Act.

Text of the Proposed Rule

DFI—SL 16.05 INVESTMENTS IN DEVELOPMENT COMPANIES. A savings and loan association is authorized to invest, in an amount not to exceed in the aggregate 5% of its capital, in shares of small business investment companies located in this state.

Reference to Statutory Authority and Analysis Prepared by Department of Financial Institutions, Division of Savings Institutions

Analysis: To create s. DFI-SB 16.05. Statutory authority: s. 215.135, Stats. Summary: Currently state-chartered banks are authorized to invest, in an amount not to exceed in the aggregate 5% of its capital, in shares of small business investment companies located in this state. However, similar authorization does not exist for state-chartered savings and loan associations. This rule authorizes state-chartered savings and loan associations to similarly invest. This rule helps state-chartered savings and loan associations to remain competitive with other financial institutions. Agency person to be contacted for substantive questions and responsible for the agency's internal processing: Mark Schlei, Deputy General Counsel, Department of Financial Institutions, Office of the Secretary, tel. (608) 267-1705.

check
in rule?

Fiscal Estimate

There is no state fiscal effect, and there are no local government costs. No funding sources or ch. 20 appropriations are affected. There are no long-range fiscal implications.

Initial Regulatory Flexibility Analysis:

The proposed rule will not have an effect on small businesses.