

so diminish the assets thereof that full payment of all depositors cannot be made, the said commission shall cancel and abate such tax or part thereof, together with any penalty thereon, and shall certify its action to the county treasurer of the county, and the assessor of incomes of the district, wherein such bank is located. This subsection shall apply to taxes levied and assessed subsequent to the time the bank was taken over by the commissioner of banking, which taxes have not been paid.

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

Approved July 7, 1933.

No. 949, A.]

[Published July 10, 1933.

### CHAPTER 372.

AN ACT to repeal subsection (4) of section 215.336; to amend section 215.43, subsections (3) and (5) of section 215.336 and subsection (1) of section 215.355; to create subsections (11), (12) and (13) of section 215.01, subsection (8) of section 215.07, subsections (3), (4) and (5) of section 215.26, subsection (4) of section 215.36, subsections (5), (6) and (7) of section 215.48, section 215.085, 215.225, 215.271, 215.272, 215.412 and 215.49; and to renumber subsections (5) to (14) of section 215.336 to be respectively subsections (4) to (13) of said section, relating to building and loan associations, and providing a penalty.

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

SECTION 1. Subsection (4) of section 215.366 (created by chapter 250, laws of 1933) of the statutes is repealed.

SECTION 2. Section 215.43 (amended by chapter 23, laws of special session 1931-1932), subsections (3) and (5) of section 215.336 (created by chapter 250, laws of 1933) and subsection (1) of section 215.355 (created by chapter 250, laws of 1933) of the statutes are amended to read: 215.43 The name "building and loan association", as used in this chapter, shall include all societies, organizations or associations doing a mutual saving and loan or investment business on the local mutual building association plan, whether issuing certificates of stock or bonds, or any other evidences of indebtedness, whether the time of maturity be fixed or not. The word "commissioner" as used in this chapter, shall mean

the "commissioner of banking". The word "supervisor" shall mean the "building and loan supervisor". The words "book value" shall mean the amount standing to the credit of any member's shares upon the books of the association. The words "withdrawal value" shall mean the book value of shares less the *losses existing, or which may reasonably be anticipated by the directors will be sustained in the near future*, the amount due for interest, advances made for taxes, insurance or any other charges, withdrawal fees and forfeitures, as the by-laws of such association may provide.

(215.336) (3) After the commissioner shall have determined the losses existing or which he shall determine may reasonably be sustained in the near future, he shall issue an order providing that the book value of each share be depreciated as stated in such order, the officers shall forthwith proceed to depreciate the book value of all shares as ordered. A record shall be made on the books showing the amount by which the book value of the shares was depreciated, and a copy of such record shall be filed with the commissioner. All dividends declared thereafter shall be credited to the book value of the shares as depreciated until such shares shall have reached the same value that such shares had immediately before the shares were so depreciated, thereafter the paid-up shares shall receive \* \* \* dividends *as provided in the by-laws* and at the same time the installment shares shall be credited with dividends, as earned and ordered by the commissioner.

(5) Any borrowing member may, after the book value of his shares shall have been depreciated as provided in subsection (3) of this section, pay to the association the difference between the withdrawal value of his shares as depreciated, and the amount due on his mortgage loan, and his mortgage and other securities shall thereupon be released. \* \* \*

(215.355) (1) Whenever any person, firm, or corporation shall file with the commissioner a petition stating that the association named in such petition refuses or neglects to pay its notes or evidences of debts on demand, or is unable to pay such debts, or whenever \* \* \* *not less than twenty-five members* of an association shall file with the commissioner a petition stating that the association named in such petition, or the officers or directors of such association, neglect to or refuse to retire shares as provided in this chapter, or shall state that the officers or directors are conducting the business of the association in an unsafe or unauthorized manner, or that by the acts or negligence of the officers or

directors the funds or assets of the association are or may become impaired, the commissioner shall within ten days after receipt of such petition proceed to hear such petition. A copy of such petition shall be mailed or delivered to the association named in such petition at least three days before the date of hearing. Not less than three days before the date of hearing a notice shall be mailed or delivered to the association and the party petitioning, which notice shall state the date, time and place for the holding of such hearing.

SECTION 3. Six new sections are added to the statutes and new subsections are added respectively to sections 215.01, 215.07, 215.26, 215.36 and 215.48 of the statutes to read: (215.01) (11) The provisions of subsections (9) and (10) of this section shall not apply whenever the commissioner shall deem it for the best interest of the shareholders, with the approval of the advisory committee, to change the location of an association for the purpose of stabilization, reorganization, consolidation or grouping.

(12) No action may be brought under chapters 267, 286 and 304 against any local association or corporation organized and doing business as provided in this chapter.

(13) The commissioner shall, with the approval of the advisory committee, issue orders prescribing reasonable rules and regulations in conducting the business of associations or corporations operating as provided in this chapter and he may in like manner issue orders amending, modifying, repealing or supplementing rules or orders. The violation of any such rule may be cause for the removal of any officer, director or employee of any association or corporation.

(215.07) (8) With the approval of the commissioner, any association may borrow money from the federal home loan bank upon such terms and for such time as the laws and rules of such federal home loan bank may prescribe, the provision in subsection (2) of section 215.07 as to the one year time limit and as to the amount that may be borrowed, to the contrary notwithstanding.

215.085 PAID-UP STOCK MAY EXCEED RATIO IN CERTAIN CASES. The commissioner may, with the approval of the advisory committee, permit an association to exceed the ratio of paid-up stock to installment stock book value, the provision in section 215.08 to the contrary notwithstanding.

215.225 WITHDRAWAL VALUE OF INSTALLMENT SHARES MAY BE APPLIED ON PAID-UP SHARES. Any member may apply the ma-

tured or withdrawal value of his installment shares towards the payment of one or more paid-up shares, but at no time shall he be paid any cash for the retirement of such installment shares while the association shall have on file notices of withdrawals or unretired matured shares, except as otherwise provided for in this section. If such matured or withdrawal value is more than one-half of the par value of one paid-up share the member shall pay such difference between the matured or withdrawal value of such installment share and the par value of such paid-up share, but if the matured or withdrawal value is less than one-half of the par value of one paid-up share, the difference shall be paid to him in cash. The ratio of paid-up stock to installment stock book value, as provided in section 215.08, shall not be applicable to shares issued as provided in this section.

(215.26) (3) The by-laws may also provide that the association may issue to borrowing members non-profit sharing shares, that the monthly or weekly installment payments upon the non-profit sharing shares may be any amount except that such payments shall not be less than forty cents per month upon each share, that the payments made upon such shares pledged shall be applied directly to the repayment of the mortgage loan, that interest shall be charged only upon the balance due upon such mortgage loan. The rate of interest charged on mortgage loans upon which non-profit sharing shares are pledged may be lower than the rate charged on mortgage loans upon which profit sharing shares are pledged.

(4) Any borrowing member may at any time with the approval of the directors transfer from the profit sharing share class, to the non-profit sharing share class, and he may in like manner transfer from the non-profit sharing share class to the profit sharing share class. The member transferring from the profit sharing class to the non-profit sharing class shall be given credit upon his mortgage loan the book value of his pledged shares.

(5) The by-laws may provide that the directors may by resolution fix the interest rate to be paid by the borrowing members. Such interest rate may be classified into stock loan rate, profit sharing share mortgage loan rate, and non-profit sharing share mortgage loan rate. Such interest rates when classified may be of a different rate for each class, the rate so fixed and classified to be the same for each borrowing member in such class. The resolution fixing rates of interest and making classifications shall be approved

by the commissioner before such resolution shall be in force and effect. The resolution, so approved, shall at all times be available to the members for their inspection.

**215.271 MISAPPLICATION OF FUNDS; FALSIFICATION; PENALTY.** Every officer, director, employe, or agent of any association who embezzles, abstracts, or wilfully misapplies any moneys, funds, credits, or property of the association, whether owned by it or held in trust, or who without authority, issues or puts forth any certificate of shares, assigns any note, bond, mortgage, judgment or decree, or who makes any false entry in any book, record, report or statement of the association with intent in either case to injure or defraud the association or any person or corporation, or to deceive any officer or director of the association, or any other person, or any agent appointed to examine the affairs of such association, or any person who, with like intent, aids, or abets any officers, director, employe, or agent in the violation of this section, upon conviction thereof shall be imprisoned in the state prison for not to exceed twenty years.

**215.272 GIVING OR ACCEPTING MONEY FOR LOANS; PENALTY.** Every officer, director, employe or agent of any association who shall for himself, directly or indirectly, take, accept or receive, or offer or agree to take, accept or receive any fee, compensation or thing of value whatever from any person in consideration of the association of which he is such officer, director, employe, or agent, loaning any money to such person; or any person who shall for himself or for another directly or indirectly offer, give, present or agree to give or present any fee, compensation, or thing of value to any officer, director, employe, or agent of any association in consideration of the association loaning any money to him, shall be punished by fine not exceeding one thousand dollars or by imprisonment in the county jail not exceeding six months, or by both such fine and imprisonment.

(215.36) (4) Such association may, with the approval of the commissioner, resume business upon such conditions as may be approved by him.

**215.412 FALSE STATEMENT IN LOAN APPLICATIONS; PENALTY.** Any person who shall, directly or indirectly, make, or cause to be made, any false signed statement, in any application to any building and loan association for a loan, with intent to mislead, or which may mislead, the officers of such association as to the value the alterations, improvements or repairs to be made on build-

ings situated on, or to be constructed upon, the real estate described in such application; or make or cause to be made any false statement as to his financial condition or income, shall be punished by imprisonment in the county jail not more than six months or by a fine not exceeding five hundred dollars.

(215.48) (5) The advisory committee shall meet during the month of July of each year and elect one of its members as chairman and one as vice-chairman. They shall appoint one of the employees of the (building and loan division) banking department as secretary, shall adopt rules and regulations for holding and conducting meetings, for holding, hearing and conducting examinations and other matters, and shall keep a record of all matters transpiring at their meetings. Such record shall contain all motions, by whom made and seconded, and each member's vote on each question. The commissioner may submit questions and matters pertaining to building and loan associations to such committee and they shall act promptly upon all such matters and questions.

(6) The commissioner may appoint one or more members of the committee to examine and look into the matters of any association and require a report and findings upon such examination. The committee may upon its own motion with the affirmative vote of at least five members, appoint one or more of its members to examine any association and submit its findings and report to the committee and commissioner; the committee shall thereupon make recommendations to the commissioner as to the report and findings of its members who shall have examined an association.

(7) Any member of the committee who shall have been appointed as provided in subsection (2) of this section, shall have the same powers and duties in making examinations as have the examiners provided for in this chapter.

215.49 Whenever it shall come to the knowledge of the commissioner that any association or corporation which has received a charter or permit to do business in this state, as provided in this chapter, is conducting its business in violation of, or contrary to, any of the provisions of this chapter, the commissioner shall report such facts to the attorney-general who may bring an action to have the charter or permit of such association or corporation revoked.

SECTION 4. Subsection (5), (6), (7), (8), (9), (10), (11), (12), (13) and (14) of section 215.336 (created by chapter 250, laws of 1933) are renumbered to be respectively subsections (4),

(5), (6), (7), (8), (9), (10), (11), (12) and (13) of said section.

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

Approved July 7, 1933.

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No. 57, A.]

[Published July 10, 1933.]

### CHAPTER 373.

AN ACT to amend section 129.02 of the statutes, relating to peddlers' licenses and making an appropriation.

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

SECTION 1. Section 129.02 of the statutes is amended to read: 129.02 Every person desiring to engage in or follow the business or occupation mentioned in section 129.01, before he shall be entitled to a license authorizing him so to do, shall pay into the state treasury an annual license fee, as follows: Where he shall use in such business or occupation a wagon or other vehicle, drawn by two or more horses, or other beasts of burden, or automobile or other vehicle or conveyance propelled by any mechanical power, the sum of \* \* \* *forty* dollars; where he shall use in such business or occupation a wagon or other vehicle, drawn by one horse, or other beast of burden, the sum of \* \* \* *twenty-five* dollars; where he shall use in such business or occupation a push or hand-cart, or other vehicle not drawn by horses, or other beasts of burden, the sum of \* \* \* *fifteen* dollars; and where he shall conduct such business on foot by means of pack, basket or other means for carrying merchandise on foot, the sum of \* \* \* *ten* dollars; except that any ex-soldier of the world war who has been a bona fide resident of this state for at least five years preceding the application and who has a twenty-five per cent disability or more or has a tuberculosis or cardiac disability recognized by the United States veterans' bureau shall upon presenting satisfactory proof of compliance with these conditions to the department of agriculture and markets be granted a special license without payment of any fee; provided, that such ex-soldier shall at all times while engaged in such business or occupation carry on his person such special license and the proof required for the issuance of the same.