

No. 282, A.]

[Published June 19, 1947.]

**CHAPTER 279.**

AN ACT to amend 186.04, 186.09, 186.17, 186.18 and 186.22 (8) (b); and to create 186.32 and 186.33 of the statutes, relating to credit unions, credit union finance corporations and central credit unions.

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

SECTION 1. 186.32 and 186.33 of the statutes are created to read:

186.32 **CENTRAL CREDIT UNIONS.** Central credit unions may be organized and operated under the conditions and provisions of this chapter and subject to all of the provisions of this chapter not inconsistent herewith. It shall be lawful for other credit unions located in this state to become members of central credit unions. Credit unions having membership in a central credit union may be represented at annual or special meetings of the central credit union by one member duly authorized by the board of directors of such member credit union and shall be entitled to one vote, and such representative shall be eligible for office in the central credit union the same as though he were a member of the central credit union.

186.33 **OTHER POWERS.** Credit unions may engage in the business and functions provided for in section 218.05 for their members upon receiving a certificate of authority from the banking commission. Such certificate of authority shall be issued by the commission upon application of a credit union whenever the commission shall find that the credit union has adequate clerical facilities and has provided for the keeping of adequate accounts and for the segregation of the funds used in carrying on such business and functions apart from the funds used in carrying on its ordinary business as a credit union. The commission may revoke a certificate of authority following a hearing held by it upon 10 days' notice to the credit union for any reason which would have justified the rejection of an application or on the ground that the continued operation of such business threatens the solvency of the credit union.

SECTION 2. 186.04 of the statutes is amended to read:

186.04 On or before May 1 of each year the banking com-

mission, with the approval of the credit union advisory board, shall fix such fees to be assessed against the individual credit unions as are necessary for the supervision and examination of the credit unions doing business in this state under and by virtue of the laws of this state. Such fees for supervision and examination shall not exceed 25 cents per \$100 of assets or fraction thereof, or the actual cost of the examination, whichever is lower, *but in no event less than \$10*. Each such credit union so doing business in this state shall pay such charge to the \* \* \* commission within 30 days from the date the credit union receives notice of such assessment. In the event that fees collected pursuant to this provision are in excess of the annual amounts necessary for the supervision and examination of credit unions, such excess shall be retained by the commission from year to year and applied by the commission in reduction of the ensuing annual assessment fees.

SECTION 3. 186.09 of the statutes is amended to read:

186.09 The credit committee shall approve every loan or advance made by the corporation, except where application for loan is made by a member of the credit committee, then \* \* \* *the* application shall be approved by the board of directors. Every application for a loan shall be made in writing and shall state the purpose for which the loan is desired and the security offered, if any. No loan shall be made unless the credit committee is satisfied that it promises to benefit the borrower, nor unless it has received the majority approval of the members of said committee; but the applicant for a loan may appeal from the decision of the credit committee to the board of directors. All loans exceeding \* \* \* \$100 shall be secured by such collateral as the credit committee shall approve, or shall be guaranteed by one or more persons whose responsibility is acceptable to the credit committee. \* \* \* Whenever \* \* \* the credit committee feels that it is for the best interest of the credit union to make loans up to \$300 without collateral, they may do so with the majority approval of the \* \* \* credit committee provided they have first obtained a certificate of authority to make such loans from the banking commission. The \* \* \* commission may in its discretion issue a certificate of authority to any credit union to make loans up to \$300 without collateral and may revoke such certificates of authority at any time after issuance when the \* \* \* com-

mission in its discretion deems that such credit union is not in a position to make this type of loan. Loans of this type shall not be made unless the borrower's financial rating or assets are such as to assure the repayment of \* \* \* *the* loans. A borrower may repay the whole or any part of his loan at any time. An interest charge on loans at a rate of one per cent per month on unpaid balances shall not be held to be usurious.

SECTION 4. 186.17 and 186.18 of the statutes are amended to read:

186.17 Immediately before the payment of each dividend, the gross earnings of the corporation shall be determined and there shall be set apart as a guaranty fund at least \* \* \* 10 per cent of the gross income which has accumulated during the period until such fund \* \* \* equals 10 per cent of the total assets; \* \* \* *except* that when \* \* \* *the* guaranty fund is less than 10 per cent of the total assets, the banking commission may in its discretion increase the amount of gross income proportioned to this reserve and may order the transfer of any reserves and undivided earnings to the \* \* \* guaranty fund. \* \* \* *Such* fund and the investments thereof shall belong to the corporation and shall be held to meet contingencies or losses in its business. Whenever \* \* \* *the* fund falls below 10 per cent of the assets aforesaid, it shall be replenished by regular appropriations in such amounts and in such percentages as the \* \* \* commission shall order until \* \* \* *the* fund shall again equal 10 per cent of the total assets. Upon recommendation of the board of directors, the members at an annual meeting may increase the proportion of income to be set apart as a guaranty fund.

186.18 Upon the unanimous recommendation of the board of directors the members may vote to dissolve the corporation provided that at least two-thirds of the members vote by ballot *in person or by letter or other written communication* in favor of dissolution, and provided not more than 10 members either in person or by written notice, object thereto. A committee of 3 shall thereupon be elected to liquidate the assets of the corporation, and each share of the capital stock, according to the amount paid in thereon, shall be entitled to its proportion of the proceeds after the debts of the corporation have been paid. The committee in charge of liquidation shall have the power and authority to sell or dispose of the assets in whole or in

part at a public or private sale subject to confirmation by the board of directors and the banking department.

SECTION 5. 186.22' (8) (b) of the statutes is amended to read:

186.22 (8) (b) \* \* \* Such shares shall not be transferable, except that a member, who is not liable to the credit union finance corporation for any obligation, direct or contingent, may transfer its shares therein to another credit union, by and with the consent of the board of directors of the credit union finance corporation; or it may retire from membership and receive back such sums as it has paid for its shares, \* \* \* but no withdrawal shall be permitted by the board of directors, which shall reduce the total amount of the capital of the credit union corporation below \$50,000.

Approved June 14, 1947.

No. 312, A.]

[Published June 19, 1947.

### CHAPTER 280.

AN ACT to amend 74.33 (3) (a) of the statutes, relating to notice of sale of tax delinquent lands in certain cases.

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

74.33 (3) (a) of the statutes is amended to read:

74.33 (3) (a) The county treasurer of any county shall, whenever on September 1 in any year the number of \* \* \* items of delinquent \* \* \* taxes on lands to be sold for taxes in such year exceeds 20,000, and when so directed by a resolution of the county board of such county adopted by the affirmative vote of three-fourths of the members elect, instead of using the procedure referring to listing, publication and posting as authorized in subsections (1) and (2), use the following procedure: He shall, during the last week of September in each year, prepare and cause to be published and posted a notice stating that so much as may be necessary of each tract of land upon which the taxes have been returned as delinquent and which remain unpaid on the third Tuesday in October next, except public lands held on contract and lands mortgaged to the state, as shown on the official roll of delinquent