

No. 775, A.]

[Published August 9, 1955.

CHAPTER 525

AN ACT to create 224.10 of the statutes, relating to supervision of Indian loan funds by banking department, and granting rule-making authority.

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

224.10 of the statutes is created to read:

224.10 INDIAN LOAN FUNDS. (1) ADMINISTRATION IN TRUST AS A LOAN FUND. The loan funds of any Indian tribe which are transferred to the custody of such tribe by the United States, including any outstanding loan accounts, shall be administered as follows:

(a) The funds shall be held in trust by the tribe or a legal entity thereof as an Indian loan fund, for the purpose of making loans to members of the tribe.

(b) Management of an Indian loan fund shall be vested in a board of trustees, which may hire necessary personnel to administer the loan fund. The board of trustees shall consist of 5 members of the tribe and shall be appointed annually by the governing body of the tribe.

(2) EXAMINATION BY THE BANKING DEPARTMENT. (a) Indian loan funds under this section shall be examined by the banking department under s. 220.04, and shall be subject to said section in the same manner as the institutions designated therein, and shall pay the cost of such examinations and assessments as provided in s. 220.05.

(b) The commissioner of banks, with the approval of the banking review board, shall establish rules governing the management and operation of Indian loan funds. Such rules shall establish the purposes for which loans may be made; permissible interest rates and fees; security requirements; time and manner of repayment; general procedures to be

followed in making loans; action which shall be taken in the event borrowers default on loans; maximum amount which may be loaned to any one borrower; the manner in which the moneys in said fund shall be deposited and invested; the manner in which the records of the fund will be kept; and the bond requirements of any member or employe of the board of trustees authorized to receipt for or disburse Indian loan funds; but the board of trustees shall have the sole authority to approve or disapprove loans in accordance with such rules.

(c) Indian loan funds shall also be subject to other applicable rules of the banking department.

(3) RULES OF BOARD OF TRUSTEES. The board of trustees of an Indian loan fund may establish rules for the administration of the fund which are not in conflict with the rules of the banking department.

Approved August 2, 1955.
