



DAVID CRAIG

STATE REPRESENTATIVE

Assembly Committee on Financial Institutions and Rural Issues
Public Hearing, January 29, 2013
Assembly Bill 649 Testimony
Representative David Craig, 83rd Assembly District

Vice-Chair Kapenga and Committee Members,

Thank you for hearing testimony on this committee's 2nd *Right the Rules* legislation, Assembly Bill 649.

This legislation is the 2nd product produced by our committee as part of the *Right the Rules* project. As you may remember, this section of administrative code was first discussed by our committee back in August of 2013. Discussed again in November and December of 2013, this legislation has received input from stakeholders, the Department of Financial Institutions and members of this committee, and is another example of how this committee can help our state's job creators.

AB 649 primarily impacts the credit union regulations of our state through various changes which not only update our administrative code but also attempt to reduce the double burden that credit unions face when trying to navigate the complex state and federal rules. While no single part of this bill is in itself a "game changer," the entirety of this bill would allow our state's credit unions and banks to better compete with federally chartered financial institutions, as well as those institutions located just across our state lines.

This legislation is another step toward ensuring that our state responsibly regulates businesses while also recognizing that those businesses are job creators and should not be forced to comply with unnecessary burdens placed upon them by government. It is yet another bipartisan example from our committee on how we can come together to do what is right for both Wisconsin consumers and Wisconsin job creators in the financial services sector.

Thank you and I would be happy to answer any questions you may have on AB.649.



Public Hearing of the Assembly Committee on Financial Institutions

Assembly Bill 649 – Bank Records Retention

January 29, 2014

Testimony of Daryll J. Lund, President & CEO

Community Bankers of Wisconsin

Thank you Chairman Craig and Members of the Committee. My name is Daryll Lund, President & CEO of the Community Bankers of Wisconsin (CBW). CBW is a statewide trade association representing the interests of Wisconsin community banks doing business in over 900 offices across Wisconsin.

I appear before you today in support of AB 649. CBW would like to thank Representative Craig and others for introducing this important legislation.

If passed, AB 649 would streamline the records retention requirements as well as provide for industry uniformity for implementing these requirements for all Wisconsin state chartered banks, savings banks, savings and loans as well as credit unions.

Today, almost all aspects of banking are regulated by law or regulation including record retention requirements. Some of these federal regulations with specific timeframes for records retention include the Equal Credit Opportunity Act, Truth in Lending Act, Bank Secrecy Act and Electronic Funds Transfer Act.

Banks have many legitimate business reasons to retain documents, including for future litigation matters, internal and external audits, bank supervision and compliance with regulatory requirements. AB 649 provides financial institutions with the flexibility they need in designing their document retention systems while assuring the confidentiality of information contained in these records.