
Wisconsin Legislative Council

ACT MEMO



Prepared by: Scott Grosz, Principal Attorney

April 18, 2024

2023 Wisconsin Act 267 [2023 Senate Bill 668]

Updates to DFI Regulations and Procedures

2023 Wisconsin Act 267 updates the regulations and procedures of the Department of Financial Institutions (DFI), relating to DFI's oversight of various financial services providers.¹ Among these updates, the act authorizes and directs DFI to utilize the Nationwide Multistate Licensing System and Registry (NMLSR) to administer its licensing functions and standardizes its administrative procedures regarding licensed financial services providers.

In addition to requiring participation in the NMLSR, the act also makes certain changes with respect to oversight of specific entities, including:

- With respect to changes affecting collection agencies, the act includes a shift in practice to require the licensure of agencies solely by entity and location. Prior law also had required the individual licensure of each collector or solicitor employed by a collection agency. Further, the act exempts mortgage bankers and credit unions from licensure as collection agencies.
- With respect to licensure and regulation of consumer lenders, the act includes revisions to the definitions and circumstances under which a person must obtain a license as a consumer lender, as well as revisions to certain business practices of licensed lenders.
- With respect to licensing and regulation of sellers of checks and money transmitters, the act repeals certain provisions of prior law and adopts the Model Money Transmission Modernization law, prescribing the circumstances under which licensure is required in order for a person to engage in the business of money transmission.

Lastly, the act directs DFI to implement a qualified Achieving a Better Life Experience (ABLE) program under s. 529A of the Internal Revenue Code, allowing tax-exempt accounts for qualified expenses incurred by individuals with disabilities to be established under Wisconsin law.

Effective date: January 1, 2025

For a full history of the bill, visit the Legislature's [bill history page](#).

SG:jal

¹ Entities subject to licensure and regulation by DFI include consumer lenders, payday lenders, collection agencies, sales finance companies, money transmitters, mortgage bankers and mortgage brokers, adjustment service companies, community currency exchanges, and insurance premium finance companies.