



# DEPARTMENT OF FINANCIAL INSTITUTIONS

Wisconsin State Agency 101

A SERIES  
PREPARED BY



INSTITUTE FOR  
REFORMING GOVERNMENT

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## STATE AGENCY FAST FACTS

### AGENCY RESPONSIBILITIES

- The Department of Financial Institutions regulates Wisconsin's state chartered financial institutions, securities brokers and agents, and financial services industry.
- DFI is also the filing office for:
  - Corporations, Partnerships, Limited Liability Companies, Common Law Trusts, and Foreign entities
  - Uniform Commercial Code
  - Charitable Organizations and Professional Employer Groups
  - Apostilles, Notary Publics, and Trademarks
- DFI's 2021-2023 budget is set at **\$39,086,800** and has **141 employees**.

**\$39 MILLION  
BUDGET**

**141 EMPLOYEES**

### DID YOU KNOW?

Prior to a 1902 constitutional amendment, any and all changes to banking regulation in Wisconsin required a popular referendum. The amendment in 1902 gave authority to the legislature to change banking regulation.

### TAXPAYER ALERT!

Funding for DFI comes from fees collected from financial institutions, securities regulation, and filing fees. As a result, the agency collects more funding than what is needed to operate and returns a large portion of what it collects back into the state general fund.

In FY 2021, DFI generated **\$91,571,893** in revenue, while its annual operating budget is less than \$20 million.



**\$90+  
MILLION IN  
FEES  
GENERATED**

**#DYK: UNTIL THE EARLY  
20TH CENTURY, ANY  
CHANGES TO STATE BANKING  
REGULATIONS NEEDED TO BE  
APPROVED BY  
REFERENDUM??**



# WISCONSIN STATE AGENCY 101

## DEPARTMENT OF FINANCIAL INSTITUTIONS

### REFORM HISTORY

The Department of Financial Institutions (DFI) was created by 1995 Wisconsin Act 27. Prior to this, all of the functions of DFI were spread across multiple commissions, offices, and divisions around state government. Act 27 organized these separate agencies into divisions within the Department.

### CLOSE CALL

In the 2021-2023 budget, the Governor proposed creating the Office of Student Loan Ombudsman at the DFI. The Office would have investigative, examination, and regulatory authority over an industry that is already highly regulated.

The Governor's proposal called for **\$345,000** in new spending and creating **two new positions** at DFI. This also would have been the 3rd Office within the agency, joining the Office of Financial Literacy which is under the Office of Financial Capability.

Thankfully the legislature did not include this in the budget that was passed.

### IRG WANTS TO KNOW...

## WHAT WOULD YOU DO??

If you were in charge for a day, what reforms would you make to the Department? Email Alex Ignatowski, IRG's Director of State Budget and Government Reform, at [ai@reforminggovernment.org](mailto:ai@reforminggovernment.org).

### ABOUT IRG



INSTITUTE FOR  
REFORMING GOVERNMENT

The Institute for Reforming Government (IRG) is a 501 (c) 3 and Wisconsin-based think tank established to help remove the onerous barriers and red tape separating the individual from an efficient and functioning government.

Find out more about IRG and view additional state agency briefing materials by visiting [ReformingGovernment.org](https://ReformingGovernment.org)

### DFI LEADERSHIP



**Cheryl Olson-Collins**  
*Secretary*



**Patti Epstein**  
*Deputy Secretary*



**Catherine Haberland**  
*Assistant Deputy Secretary*

### KEEP AN EYE ON...

Digital currency, commonly referred to as cryptocurrency, is largely unregulated by the federal government.

The Department of Financial Institutions has stated that they do not have the authority under Wisconsin law to regulate digital currency.

There are a number of states that have created digital currency sandboxes as a way to handle the ambiguity in the current regulatory environment.