



**State of Wisconsin**  
*Department of Financial Institutions*

Tony Evers, **Governor**

Kathy Blumenfeld, **Secretary**

April 3, 2020

**EMERGENCY GUIDANCE ON ANNUAL MEETING REQUIREMENTS FOR  
ENTITIES FORMED UNDER STATUTES ADMINISTERED BY  
THE WISCONSIN DEPARTMENT OF FINANCIAL INSTITUTIONS**

Among its other duties, the Department of Financial Institutions serves as the filing office for organizational documents and regular reports of most types of businesses, non-profit organizations, and other associations formed under the laws of this State. This includes entities formed under Chapters 178 to 188, 214, 215, and 220 to 224 of the Wisconsin Statutes.

While those chapters leave most matters of internal governance to the entities themselves, there are some statutory boundaries. Among the most common is a requirement to hold annual or other periodic meetings of members or shareholders.<sup>1</sup> Following the March 12, 2020 declaration of a public health emergency in this State, entities of all types have asked the Department whether it considers virtual meetings to be permissible. Regardless of entity type, the Department has given the same answer:

*Of course.*

When construing statutes, bylaws, and other legal documents, courts (and this Department) are careful to avoid “interpretations that lead to absurd results.”<sup>2</sup> This is particularly important in times of emergency, when the legitimacy of the law depends on how well it fares in flexibly adapting to circumstances its drafters never imagined. Three weeks into a public health emergency that has already cost thousands of lives and millions of livelihoods in this country alone, it would be absurd for the law to insist that any such internal governance meetings occur in person.

Nor is an in-person meeting essential. So long as the virtual meeting is conducted in a way that conforms to recordkeeping obligations and protects all rights granted in the bylaws and statutes—particularly those involving notice and participation—then nothing of legal substance is lost. The process may not be easy, especially the first time, but people worldwide are learning how to make virtual meetings work. Wisconsin entities can do it too, and many already have.

Insistence on in-person meetings would elevate legal form over public health, causing needless damage to both. For the duration of this state public health emergency, this Department will not construe any annual or other intra-entity governance meetings referenced in the above-cited Chapters as requiring in-person appearances.

<sup>1</sup> See, e.g., Wis. Stat. §§ 180.0701, 180.1827, 181.0701, 185.13, 186.06, 187.01, 214.305, 215.43, 221.0511. This list is not intended to be exclusive or exhaustive.

<sup>2</sup> *Watton v. Hegerty*, 2008 WI 74, ¶ 26, 311 Wis. 2d 52, 751 N.W.2d 359.

## CERTIFICATION

I have reviewed this guidance document or proposed guidance document and I certify that it complies with sections 227.10 and 227.11 of the Wisconsin Statutes. I further certify that the guidance document or proposed guidance document contains no standard, requirement, or threshold that is not explicitly required or explicitly permitted by a statute or a rule that has been lawfully promulgated. I further certify that the guidance document or proposed guidance document contains no standard, requirement, or threshold that is more restrictive than a standard, requirement, or threshold contained in the Wisconsin Statutes.

/s/Matthew R. Lynch

Chief Legal Counsel

Department of Financial Institutions

*Authorized delegate for guidance document certifications pursuant to Wis. Stat. § 15.02(4)*