



State of Wisconsin
2019 - 2020 LEGISLATURE

LRB-4503/1
JK:kjf

2019 ASSEMBLY BILL 752

January 16, 2020 - Introduced by Representative AUGUST, cosponsored by Senator PETROWSKI. Referred to Committee on State Affairs.

AUTHORS SUBJECT TO CHANGE

1 AN ACT **to repeal** 177.01 (3) and (4), 177.01 (8) (a) to (c), 177.01 (10) and (11),
2 177.02, 177.03, 177.04, 177.05, 177.06, 177.07, 177.075, 177.08, 177.10, 177.11,
3 177.13, 177.14, 177.15, 177.16, 177.17, 177.19, 177.20, 177.21, 177.22, 177.23,
4 177.24, 177.25, 177.26, 177.265, 177.27, 177.28, 177.29, 177.30 (5), 177.31,
5 177.32, 177.33, 177.34, 177.35 and 177.36; **to renumber** 177.015, 177.09,
6 177.38, 177.40 and 177.41; **to renumber and amend** 177.01 (6), 177.01 (8)
7 (intro.), 177.01 (12), 177.12, 177.135, 177.165, 177.18, 177.225, 177.255, 177.30
8 (2), 177.30 (3), 177.30 (4), 177.30 (6), 177.30 (7) and 177.37; **to amend** 20.437
9 (2) (qm), 20.566 (4) (j), 62.63 (5), 71.93 (1) (d) 2., 71.93 (3) (a) (intro.), 73.01 (4)
10 (a), 177.01 (1), 177.01 (2), 177.01 (5), 177.01 (7), 177.01 (9), 177.01 (13), 177.01
11 (15), 177.015 (title), 193.735 (1) (intro.), 193.735 (2), 610.61, 632.63 (4), 863.37
12 (2) (a), 863.39 (1), 863.39 (3) (a) and 893.95; and **to create** subchapter I (title)
13 of chapter 177 [precedes 177.001], 177.001, 177.01 (1d), 177.01 (5d), 177.01 (6)
14 (a) to (d), 177.01 (6d), 177.01 (6f), 177.01 (6g), 177.01 (7b), 177.01 (7d), 177.01

ASSEMBLY BILL 752

1 (11d), 177.01 (11f), 177.01 (11g), 177.01 (11j), 177.01 (11m), 177.01 (12) (d),
2 177.01 (12d), 177.01 (13b), 177.01 (13d), 177.01 (13f), 177.01 (13h), 177.01 (13j),
3 177.01 (14d), 177.01 (16), 177.01 (17), 177.015 (2), subchapter II (title) of
4 chapter 177 [precedes 177.0201], 177.0201, 177.0202, 177.0203, 177.0204,
5 177.0205, 177.0207, 177.0208, 177.0210, 177.0211, 177.0212, 177.0214,
6 subchapter III (title) of chapter 177 [precedes 177.0301], 177.0301, 177.0302,
7 177.0303, 177.0304, 177.0305, 177.0306, 177.0307, 177.0308, subchapter IV
8 (title) of chapter 177 [precedes 177.0401], 177.0401, 177.0402, 177.0403,
9 177.0404, 177.0405, 177.0406, subchapter V (title) of chapter 177 [precedes
10 177.0501], 177.0501, 177.0502, 177.0503 (2n), 177.0504, 177.0505, subchapter
11 VI (title) of chapter 177 [precedes 177.0601], 177.0601, 177.0602, 177.0603,
12 177.0604, 177.0605, 177.0606, 177.0607, 177.0608, 177.0609, 177.0610,
13 subchapter VII (title) of chapter 177 [precedes 177.0701], 177.0701, 177.0702,
14 177.0703, 177.0704, subchapter VIII (title) of chapter 177 [precedes 177.0801],
15 177.0801, 177.0802, 177.0803, subchapter IX (title) of chapter 177 [precedes
16 177.0901], 177.0901, 177.0902, 177.0903, 177.0904, 177.0905, 177.0906,
17 subchapter X (title) of chapter 177 [precedes 177.1001], 177.1001, 177.1002 (3),
18 177.1002 (4), 177.1003, 177.1004, subchapter XI (title) of chapter 177 [precedes
19 177.1101], 177.1101, 177.1102, 177.1103, 177.1104, subchapter XII (title) of
20 chapter 177 [precedes 177.1201], 177.1201, 177.1202, 177.1203, 177.1204,
21 177.1205, 177.1206, subchapter XIII (title) of chapter 177 [precedes 177.1301],
22 177.1301, 177.1302, subchapter XIV (title) of chapter 177 [precedes 177.1401],
23 177.1401, 177.1402, 177.1403, subchapter XV (title) of chapter 177 [precedes

ASSEMBLY BILL 752

1 177.1501] and 177.1505 of the statutes; **relating to:** the revised uniform
2 unclaimed property act.

Analysis by the Legislative Reference Bureau

This bill adopts the revised Uniform Unclaimed Property Act (the act), as approved by the Uniform Law Commission, also known as the National Conference of Commissioners on Uniform State Laws. The act under current law is based on earlier versions of the act that were last updated in 1995. The act requires a holder of unclaimed property to submit that property to the state after a certain time has passed, a period referred to as a dormancy period. The state then attempts to return the property to its rightful owner. Generally, if the state is unable to return the property to its owner, the state may retain the property. Under current law, a holder of unclaimed property submits the property to the secretary of revenue who is the administrator of the act. The bill designates the Department of Revenue as the administrator and makes various changes to the act in order to make the act easier to administer. For example, the bill updates the act to address the disposition of unclaimed gift cards, life insurance benefits, securities, and virtual currencies. The bill also organizes the act chapter into subchapters in order to facilitate the act's administration.

For further information see the **state** fiscal estimate, which will be printed as an appendix to this bill.

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

3 **SECTION 1.** 20.437 (2) (qm) of the statutes is amended to read:

4 *20.437 (2) (qm) Child support state operations and reimbursement for claims
5 and expenses; unclaimed payments.* From the support collections trust fund, a sum
6 sufficient equal to the amounts credited under s. 20.912 (1) to the support collections
7 trust fund and the amounts not distributable under par. (r) for administering the
8 program under s. 49.22 and all other purposes specified in s. 49.22 and for
9 reimbursing the secretary department of revenue under s. 177.265 177.0503 (2n) (b).

10 **SECTION 2.** 20.566 (4) (j) of the statutes is amended to read:

ASSEMBLY BILL 752**SECTION 2**

1 20.566 (4) (j) *Unclaimed property; claims.* All moneys received under ss. ~~177.23~~
2 (2) 177.0801, 852.01 (3), 863.37 (2), and 863.39 to pay claims under ss. ~~177.24~~ to
3 ~~177.26~~ subch. IX of ch. 177 and 863.39 (3), to transfer the amounts appropriated
4 under par. (k), and for promotional activities for the unclaimed property program
5 under s. 20.585 (1) (k) as specified in s. 14.58 (4).

6 **SECTION 3.** 62.63 (5) of the statutes is amended to read:

7 **62.63 (5) TREATMENT OF ABANDONED RETIREMENT ACCOUNTS.** Funds in employee
8 retirement accounts of a retirement system of a 1st class city, which are presumed
9 abandoned under s. ~~177.13~~ subch. II of ch. 177, are not subject to the custody of the
10 state as unclaimed property under ch. 177, but shall be retained by the retirement
11 system and used to reduce employer funding obligations to the retirement system.
12 The board of a retirement system of a 1st class city shall devise rules and regulations
13 for determining the conditions under which employee retirement accounts are
14 presumed abandoned and for determining the manner in which funds in the
15 abandoned employee retirement accounts may be used to reduce employer funding
16 obligations to the retirement system.

17 **SECTION 4.** 71.93 (1) (d) 2. of the statutes is amended to read:

18 **71.93 (1) (d) 2.** The amount owed to a debtor under s. ~~177.24~~ (3) 177.0905 for
19 the return of abandoned property under s. ~~177.24~~ subch. IX of ch. 177 which exceeds
20 a debtor's Wisconsin tax liability or any other liability owed to the department.

21 **SECTION 5.** 71.93 (3) (a) (intro.) of the statutes is amended to read:

22 **71.93 (3) (a) (intro.)** The department of revenue shall setoff any debt or other
23 amount owed to the department, regardless of the origin of the debt or of the amount,
24 its nature or its date. The department's setoff shall include the use of unclaimed
25 property owed to the debtor under s. ~~177.24~~ 177.0505, 177.0605 (12), 177.0905 (2),

ASSEMBLY BILL 752

1 or 177.0906 (2). If after the setoff there remains a refund in excess of \$10, the
2 department shall set off the remaining refund against certified debts of other entities
3 in the following order:

4 **SECTION 6.** 73.01 (4) (a) of the statutes is amended to read:

5 73.01 (4) (a) Subject to the provisions for judicial review contained in s. 73.015,
6 the commission shall be the final authority for the hearing and determination of all
7 questions of law and fact arising under sub. (5) and s. 72.86 (4), 1985 stats., and ss.
8 70.38 (4) (a), 70.397, 70.64, and 70.995 (8), s. 76.38 (12) (a), 1993 stats., ss. 76.39 (4)
9 (c), 76.48 (6), 77.26 (3), 77.59 (5m) and (6) (b), 78.01, 78.22, 78.40, 78.555, 139.02,
10 139.03, 139.06, 139.31, 139.315, 139.33, 139.76, 139.78, 341.405, and 341.45, subch.
11 XIV of ch. 71, and subch. VII of ch. 77, and ss. 177.1103 and 177.1206 (3). Whenever
12 with respect to a pending appeal there is filed with the commission a stipulation
13 signed by the department of revenue and the adverse party, under s. 73.03 (25), or
14 the department of transportation and the adverse party agreeing to an affirmance,
15 modification, or reversal of the department of revenue's or department of
16 transportation's position with respect to some or all of the issues raised in the appeal,
17 the commission shall enter an order affirming or modifying in whole or in part, or
18 canceling the assessment appealed from, or allowing in whole or in part or denying
19 the petitioner's refund claim, as the case may be, pursuant to and in accordance with
20 the stipulation filed. No responsibility shall devolve upon the commission,
21 respecting the signing of an order of dismissal as to any pending appeal settled by
22 the department of revenue or the department of transportation without the approval
23 of the commission.

24 **SECTION 7.** Subchapter I (title) of chapter 177 [precedes 177.001] of the statutes
25 is created to read:

ASSEMBLY BILL 752

CHAPTER 177

SUBCHAPTER I

GENERAL PROVISIONS

SECTION 8. 177.001 of the statutes is created to read:

177.001 Short title. This chapter may be cited as the “Revised Uniform Unclaimed Property Act.”

SECTION 9. 177.01 (1) of the statutes is amended to read:

177.01 (1) "Administrator" means the secretary department of revenue.

SECTION 10. 177.01 (1d) of the statutes is created to read:

177.01 **(1d)** “Administrator’s agent” means a person that the administrator contracts with to conduct an examination under subch. X on the administrator’s behalf, including an independent contractor of such person and each individual participating in the examination on behalf of the person or contractor.

SECTION 11. 177.01 (2) of the statutes is amended to read:

177.01 (2) "Apparent owner" means the ~~a~~ person whose name appears on the records of the holder as the person entitled to owner of property held, issued, or owing by the holder.

SECTION 12. 177.01 (3) and (4) of the statutes are repealed.

SECTION 13. 177.01 (5) of the statutes is amended to read:

177.01 (5) "Business association" means a nonpublic corporation; joint stock company; investment company, not including an investment company registered under the investment company act of 1940, as amended, 15 U.S.C. sections 80a-1 to 80a-64; business trust; partnership; unincorporated association; joint venture; limited liability company or association for business purposes; trust company; land bank; safe deposit company; safekeeping depository; financial organization;

ASSEMBLY BILL 752

1 insurance company; federally chartered entity; utility; sole proprietorship; or other
2 business entity; regardless of whether or not any such entity is for profit, including
3 a banking organization, financial organization, insurance company or utility.

4 **SECTION 14.** 177.01 (5d) of the statutes is created to read:

5 177.01 **(5d)** “Confidential information” means records, reports, and
6 information that are confidential under s. 177.1402.

7 **SECTION 15.** 177.01 (6) of the statutes is renumbered 177.01 (6) (intro.) and
8 amended to read:

9 177.01 **(6)** (intro.) “Domicile” means ~~the state of incorporation of a corporation,~~
10 ~~the state of organization of a limited liability company and the state of the principal~~
11 ~~place of business of an unincorporated person.~~ the following:

12 **SECTION 16.** 177.01 (6) (a) to (d) of the statutes are created to read:

13 177.01 **(6)** (a) For a corporation, the state of its incorporation.

14 (b) For a business association, other than a corporation, that requires a filing
15 with a state for its formation, the state of its filing.

16 (c) For a federally chartered entity or an investment company registered under
17 the investment company act of 1940, as amended, 15 U.S.C. sections 80a-1 to
18 80a-64, the state of its home office.

19 (d) For any other holder, the state of its principal place of business.

20 **SECTION 17.** 177.01 (6d) of the statutes is created to read:

21 177.01 **(6d)** “Dormancy period” means the period of time, as specified for each
22 property type in this chapter, that must pass before the property is presumed
23 abandoned.

24 **SECTION 18.** 177.01 (6f) of the statutes is created to read:

ASSEMBLY BILL 752**SECTION 18**

1 177.01 **(6f)** “Electronic” means relating to technology having electrical, digital,
2 magnetic, wireless, optical, electromagnetic, or similar capabilities.

3 **SECTION 19.** 177.01 (6g) of the statutes is created to read:

4 177.01 **(6g)** “E-mail” means a communication by electronic means which is
5 automatically retained and stored and may be readily accessed or retrieved.

6 **SECTION 20.** 177.01 (7) of the statutes is amended to read:

7 177.01 **(7)** “Financial organization” means a savings and loan association,
8 savings bank, cooperative bank, building and loan association or, credit union,
9 industrial bank, bank, banking organization, trust company, land bank, safe deposit
10 company, private banker, or any other organization defined by other law as a bank,
11 banking organization, or financial institution.

12 **SECTION 21.** 177.01 (7b) of the statutes is created to read:

13 177.01 **(7b)** “Game-related digital content” means digital content that exists
14 only in an electronic game or electronic-game platform. “Game-related digital
15 content includes game play currency, such as a virtual wallet, even if denominated
16 in U.S. currency and points sometimes referred to as gems, tokens, gold, and similar
17 names, and digital codes, if for use or redemption only within the game or platform
18 or another electronic game or electronic game platform. “Game-related digital
19 content” does not include an item that the issuer permits to be redeemed for use
20 outside of a game or platform and for money or goods and services that have more
21 than minimal value or that the issuer otherwise monetizes for use outside of a game
22 or platform.

23 **SECTION 22.** 177.01 (7d) of the statutes is created to read:

24 177.01 **(7d)** (a) “Gift card” means a record evidencing a promise for
25 consideration by the seller or issuer of the record that merchandise, goods, or services

ASSEMBLY BILL 752

1 will be provided to the owner of the record equal to the value or amount shown in the
2 record, if all of the following apply:

- 3 1. The value or amount does not expire.
- 4 2. The value or amount may be decreased only by redemption for merchandise,
5 goods, or services.
- 6 3. The value or amount may not be redeemed for or converted into money or
7 otherwise monetized by the issuer.

8 (b) "Gift card" includes the following:

9 1. A record that contains or consists of a microprocessor chip, magnetic strip,
10 or other means for the storage of information, that is prefunded and the value or
11 amount of which is decreased on each use and increased by payment of additional
12 consideration.

13 2. A prepaid commercial mobile radio service, as defined in 47 C.F.R. 20.3, as
14 amended.

15 (c) "Gift card" does not include the following:

- 16 1. A stored-value card.
- 17 2. A loyalty card.
- 18 3. A payroll card.
- 19 4. Game-related digital content.

20 **SECTION 23.** 177.01 (8) (intro.) of the statutes is renumbered 177.01 (8) and
21 amended to read:

22 177.01 (8) "Holder" means a person, wherever organized or domiciled, who is
23 any of the following: obligated to hold property subject to this chapter for the account
24 of, or to deliver or pay to, the owner.

25 **SECTION 24.** 177.01 (8) (a) to (c) of the statutes are repealed.

ASSEMBLY BILL 752**SECTION 25**

1 **SECTION 25.** 177.01 (9) of the statutes is amended to read:

2 177.01 **(9)** “Insurance company” means an association, corporation, or
3 fraternal or mutual benefit organization, whether or not for profit, which is engaged
4 in the business of providing life endowments, annuities, or insurance coverage,
5 including, but not limited to, accident, burial, casualty, credit life, contract
6 performance, dental, disability, fidelity, fire, health, hospitalization, illness, life
7 including endowments and annuities, malpractice, marine, mortgage, surety and,
8 wage protection, and worker compensation insurance.

9 **SECTION 26.** 177.01 (10) and (11) of the statutes are repealed.

10 **SECTION 27.** 177.01 (11d) of the statutes is created to read:

11 177.01 **(11d)** “Loyalty card” means a record given without direct monetary
12 consideration under an award, reward, benefit, loyalty, incentive, rebate, or
13 promotional program and that may be used or redeemed only to obtain goods or
14 services or a discount on goods or services. “Loyalty card” does not include a record
15 that may be redeemed for money or otherwise monetized by the issuer.

16 **SECTION 28.** 177.01 (11f) of the statutes is created to read:

17 177.01 **(11f)** “Mineral” means gas, oil, coal, oil shale, other gaseous liquid or
18 solid hydrocarbon, cement material, sand and gravel, road material, building stone,
19 chemical raw material, gemstone, fissionable and nonfissionable ores, colloidal and
20 other clay, steam and other geothermal resources, and any other substance defined
21 as a mineral by law of this state other than this chapter.

22 **SECTION 29.** 177.01 (11g) of the statutes is created to read:

23 177.01 **(11g)** “Mineral proceeds” means an amount payable for extraction,
24 production, or sale of minerals, or, on the abandonment of the amount, an amount

ASSEMBLY BILL 752

1 that becomes payable after abandonment. "Mineral proceeds" includes an amount
2 payable:

3 (a) For the acquisition and retention of a mineral lease, including a bonus,
4 royalty, compensatory royalty, shut-in royalty, minimum royalty, or delay rental.

5 (b) For the extraction, production, or sale of minerals, including a net revenue
6 interest, royalty, overriding royalty, extraction payment, and production payment.

7 (c) Under an agreement or option, including a joint-operating agreement, unit
8 agreement, pooling agreement, and farm-out agreement.

9 **SECTION 30.** 177.01 (11j) of the statutes is created to read:

10 177.01 (11j) "Money order" means a payment order for a specified amount of
11 money. "Money order" includes an express money order and a personal money order
12 on which the remitter is the purchaser.

13 **SECTION 31.** 177.01 (11m) of the statutes is created to read:

14 177.01 (11m) "Municipal bond" means a bond or evidence of indebtedness
15 issued by a municipality or other political subdivision of a state.

16 **SECTION 32.** 177.01 (12) of the statutes is renumbered 177.01 (12) (intro.) and
17 amended to read:

18 177.01 (12) (intro.) "Owner" means a person having a legal, beneficial, or
19 equitable interest in property subject to this chapter or the person's legal
20 representative acting on the person's behalf. "Owner" includes the following:

21 (a) A depositor in the case of, for a deposit, a.

22 (b) A beneficiary in the case of, for a trust other than a deposit in trust, a.

23 (c) A creditor, claimant, or payee in the case of, for other intangible property,
24 or a person having a legal or equitable interest in property subject to this chapter or
25 his or her legal representative.

ASSEMBLY BILL 752**SECTION 33**

1 **SECTION 33.** 177.01 (12) (d) of the statutes is created to read:

2 177.01 (12) (d) The lawful bearer of a record that may be used to obtain money,
3 a reward, or a thing of value.

4 **SECTION 34.** 177.01 (12d) of the statutes is created to read:

5 177.01 (12d) “Payroll card” means a record that evidences a payroll-card
6 account as defined in Regulation E, 12 C.F.R. Part 1005, as amended.

7 **SECTION 35.** 177.01 (13) of the statutes is amended to read:

8 177.01 (13) “Person” means an individual, business association, ~~state or other~~
9 government, governmental subdivision, instrumentality, or agency, public
10 corporation, ~~public authority~~, estate, trust, ~~2 or more persons having a joint or~~
11 ~~common interest~~, or any other legal ~~or~~ commercial entity.

12 **SECTION 36.** 177.01 (13b) of the statutes is created to read:

13 177.01 (13b) (a) “Property” means tangible property described in s. 177.0205
14 or a fixed and certain interest in intangible property held, issued, or owed in the
15 course of a holder’s business or by a government, governmental subdivision, agency,
16 or instrumentality.

17 (b) “Property” includes all of the following:

18 1. All income from or increments to the property.

19 2. Property referred to as or evidenced by:

20 a. Money, virtual currency, or interest.

21 b. A dividend, check, draft, deposit, or payroll card.

22 c. A credit balance, customer overpayment, security deposit, refund, credit
23 memorandum, unpaid wage, unused ticket for which the issuer has an obligation to
24 provide a refund, mineral proceeds, or unidentified remittance.

ASSEMBLY BILL 752

1 d. A security, except for a worthless security or a security that is subject to a
2 lien, legal hold, or restriction evidenced on the records of the holder or imposed by
3 operation of law, if the lien, legal hold, or restriction restricts the holder's or owner's
4 ability to receive, transfer, sell, or otherwise negotiate the security.

5 e. A bond, debenture, note, or other evidence of indebtedness.

6 f. Money deposited to redeem a security, make a distribution, or pay a dividend.

7 g. An amount due and payable under an annuity contract or insurance policy.

8 h. An amount distributable from a trust or custodial fund established under a
9 plan to provide health, welfare, pension, vacation, severance, retirement, death,
10 stock purchase, profit-sharing, employee-savings, supplemental-unemployment
11 insurance, or a similar benefit.

12 (c) "Property" does not include the following:

13 1. Property held in a plan described in section 529A of the Internal Revenue
14 Code.

15 2. Game-related digital content.

16 3. A loyalty card.

17 4. An in-store credit for returned merchandise.

18 5. A gift card.

19 6. A stored-value card.

20 7. Property described under s. 177.015 (2).

21 **SECTION 37.** 177.01 (13d) of the statutes is created to read:

22 177.01 (13d) "Putative holder" means a person believed by the administrator
23 to be a holder, until the person pays or delivers to the administrator property subject
24 to this chapter or the administrator or a court makes a final determination that the
25 person is or is not a holder.

ASSEMBLY BILL 752**SECTION 38**

1 **SECTION 38.** 177.01 (13f) of the statutes is created to read:

2 **177.01 (13f)** “Record” means information that is inscribed on a tangible
3 medium or that is stored in an electronic or other medium and is retrievable in
4 perceivable form.

5 **SECTION 39.** 177.01 (13h) of the statutes is created to read:

6 **177.01 (13h)** “Security” means all of the following:

7 (a) A security, as defined in s. 408.102 (1) (o).

8 (b) A security entitlement, as defined in s. 408.102 (1) (q), including a customer
9 security account held by a registered broker-dealer, to the extent the financial assets
10 held in the security account are not any of the following:

11 1. Registered on the books of the issuer in the name of the person for which the
12 broker-dealer holds the assets.

13 2. Payable to the order of the person.

14 3. Specifically endorsed to the person.

15 (c) An equity interest in a business association that is not a security under par.

16 (a) or a security entitlement under par. (b).

17 **SECTION 40.** 177.01 (13j) of the statutes is created to read:

18 **177.01 (13j)** “Sign” means any of the following done with the intent to
19 authenticate or adopt a record:

20 (a) To execute or adopt a tangible symbol.

21 (b) To attach to or logically associate with the record an electronic symbol,
22 sound, or process.

23 **SECTION 41.** 177.01 (14d) of the statutes is created to read:

24 **177.01 (14d)** (a) “Stored-value card” means a record evidencing a promise for
25 consideration by the seller or issuer of the record that merchandise, goods, services,

ASSEMBLY BILL 752

1 or money will be provided to the owner of the record equal to the value or amount
2 shown in the record, if all of the following apply:

3 1. The value or amount does not expire.

4 2. The value or amount may be decreased only by redemption for merchandise,
5 goods, services, or money.

6 3. The value or amount may not be redeemed for or converted into money or
7 otherwise monetized by the issuer.

8 (b) "Stored-value card" includes the following:

9 1. A record that contains or consists of a microprocessor chip, magnetic strip,
10 or other means for the storage of information, that is prefunded and the value or
11 amount of which is decreased on each use and increased by payment of additional
12 consideration.

13 2. A prepaid commercial mobile radio service, as defined in 47 C.F.R. 20.3, as
14 amended.

15 (c) "Stored-value card" does not include the following:

16 1. A payroll card.

17 2. A loyalty card.

18 3. A gift card.

19 4. Game-related digital content.

20 **SECTION 42.** 177.01 (15) of the statutes is amended to read:

21 177.01 (15) "Utility" means a person who that owns or operates for public use
22 any plant, equipment, real property, franchise, or license for the transmission of
23 communications or; the production, storage, transmission, sale, delivery, or
24 furnishing of electricity, water, steam, or gas; the provision of sewage or septic
25 services; or the disposal or recycling of trash or garbage.

ASSEMBLY BILL 752**SECTION 43**

1 **SECTION 43.** 177.01 (16) of the statutes is created to read:

2 **177.01 (16)** “Virtual currency” means a digital representation of value used as
3 a medium of exchange, unit of account, or store of value that does not have legal
4 tender status recognized by the United States. “Virtual currency” does not include:

5 (a) The software or protocols governing the transfer of the digital
6 representation of value.

7 (b) Game-related digital content.

8 (c) A loyalty card.

9 (d) A gift card.

10 **SECTION 44.** 177.01 (17) of the statutes is created to read:

11 **177.01 (17)** “Worthless security” means a security for which the cost of
12 liquidation and delivery to the administrator exceeds the value of the security on the
13 date on which a report is due under this chapter.

14 **SECTION 45.** 177.015 (title) of the statutes is amended to read:

15 **177.015** (title) **Exemption Inapplicability to foreign transactions and**
16 **other exemptions.**

17 **SECTION 46.** 177.015 of the statutes is renumbered 177.015 (1).

18 **SECTION 47.** 177.015 (2) of the statutes is created to read:

19 **177.015 (2)** This chapter does not apply to any of the following:

20 (a) Property held, due, and owing in a foreign country if the transaction out of
21 which the property arose was a foreign transaction.

22 (b) Any payment or credit shown on the books and records of a business
23 association owed to another business association in the ordinary course of business.

24 (c) Property described in s. 20.912 (1).

25 **SECTION 48.** 177.02 of the statutes is repealed.

ASSEMBLY BILL 752

1 **SECTION 49.** Subchapter II (title) of chapter 177 [precedes 177.0201] of the
2 statutes is created to read:

CHAPTER 177

SUBCHAPTER II

PRESUMPTION OF ABANDONMENT

6 SECTION 50. 177.0201 of the statutes is created to read:

177.0201 When property presumed abandoned. Subject to s. 177.0210, the following property is presumed abandoned if it is unclaimed by the apparent owner during the period specified below:

10 (1) A traveler's check, 15 years after issuance.

11 (2) A money order or similar instrument, 5 years after issuance.

15 (4) A debt of a business association, 3 years after the obligation to pay arises.

(6) Money or a credit owed to a customer as a result of a retail business transaction, other than in-store credit for returned merchandise, 5 years after the obligation arises.

24 (7) An amount owed by an insurance company on a life or endowment
25 insurance policy or an annuity contract that has matured or terminated. 3 years after

ASSEMBLY BILL 752**SECTION 50**

1 the obligation to pay arises under the terms of the policy or contract or, if a policy or
2 contract for which an amount is owed on proof of death has not matured by proof of
3 the death of the insured or annuitant, as follows:

4 (a) With respect to an amount owed on a life or endowment insurance policy,
5 3 years after the earliest of the date on which the insurance company has knowledge
6 of the death of the insured or the date on which the insured attained, or would have
7 attained if living, the limiting age under the mortality table that forms the bases of
8 the reserve for the policy.

9 (b) With respect to an amount owed on an annuity contract, 3 years after the
10 date on which the insurance company has knowledge of the death of the annuitant.

11 (8) Property that may be distributed by a business association in the course of
12 dissolution, one year after the property may be distributed.

13 (9) Except as provided in ss. 800.095 (8), 852.01 (3), 863.37 (2), and 863.39,
14 property held by a court, including property received as proceeds of a class action,
15 one year after the property may be distributed.

16 (10) Except as provided in ss. 40.08 (8), 852.01 (3), 863.37 (2), and 863.39,
17 property held by a government or governmental subdivision, agency, or
18 instrumentality, including municipal bond interest and unredeemed principal under
19 the administration of a paying agent or indenture trustee, 5 years after the property
20 may be distributed.

21 (11) Wages, commissions, bonuses, or reimbursements to which an employee
22 is entitled, or other compensation for personal services, other than amounts held in
23 a payroll card, one year after the amount becomes payable.

24 (12) A deposit or refund owed to a subscriber by a utility, one year after the
25 deposit or refund becomes payable.

ASSEMBLY BILL 752

1 **(13)** Property not specified in this section or ss. 177.0202 to 177.0209, the
2 earlier of 5 years after the owner first has a right to demand the property or the date
3 on which the obligation to pay or distribute the property arises.

4 **SECTION 51.** 177.0202 of the statutes is created to read:

5 **177.0202 When tax-deferred retirement account presumed**
6 **abandoned.** (1) Subject to s. 177.0210, property held in a pension account or
7 retirement account that qualifies for federal income tax deferral under the Internal
8 Revenue Code is presumed abandoned if it is unclaimed by the apparent owner 3
9 years after the earliest of the following:

10 (a) The date on which a 2nd consecutive communication sent by the holder by
11 1st class mail to the apparent owner is returned to the holder by the U.S. postal
12 service as undeliverable, if the apparent owner has reached the age for which an
13 early withdrawal penalty does not apply.

14 (b) If the 2nd communication is sent by the holder to the apparent owner later
15 than 30 days after the date on which the first communication is returned to the
16 holder by the U.S. postal service as undeliverable, the date on which the first
17 communication was returned as undeliverable, if the apparent owner has reached
18 the age for which an early withdrawal penalty does not apply.

19 (c) The date on which the apparent owner becomes 70.5 years of age, if that can
20 be determined by the holder.

21 (d) Any of the following, if distribution to avoid a tax penalty is required under
22 the Internal Revenue Code:

23 1. The date on which the holder receives confirmation of the death of the
24 apparent owner in the ordinary course of the holder's business.

ASSEMBLY BILL 752**SECTION 51**

1 2. The date on which the holder confirms the death of the apparent owner under
2 sub. (2).

3 **(2)** If a holder in the ordinary course of its business receives notice or an
4 indication of the death of an apparent owner and sub. (1) (c) or (d) applies, the holder
5 shall attempt not later than 90 days after receipt of the notice or indication to confirm
6 whether the apparent owner is deceased.

7 **(3)** If the holder does not send communications to the apparent owner by 1st
8 class mail, as described in sub. (1), the holder shall attempt to confirm the apparent
9 owner's interest in the property by sending the apparent owner e-mail not later than
10 2 years after the apparent owner's last indication of interest in the property, except
11 that the holder shall promptly attempt to contact the apparent owner by 1st class
12 mail if any of the following applies:

13 (a) The holder does not have information needed to send the apparent owner
14 e-mail or the holder believes that the apparent owner's e-mail address in the
15 holder's records is not valid.

16 (b) The holder receives notification that the e-mail was not received.

17 (c) The apparent owner does not respond to the e-mail within 30 days from the
18 date on which the e-mail was sent.

19 **(4)** If 1st class mail sent under sub. (3) is returned to the holder by the U.S.
20 postal service as undeliverable, the property is presumed abandoned 3 years after
21 the date on which the mail is returned.

22 **SECTION 52.** 177.0203 of the statutes is created to read:

23 **177.0203 When other tax-deferred account presumed abandoned.**

24 Subject to s. 177.0210, and except for property described under s. 177.0202 and
25 property held in a plan described in section 529A of the Internal Revenue Code,

ASSEMBLY BILL 752

1 property held in an account or plan, including a health savings account, that
2 qualifies for federal income tax deferral under the Internal Revenue Code is
3 presumed abandoned if it is unclaimed by the apparent owner 3 years after the
4 earliest of the following:

5 (1) The date specified under the Internal Revenue Code or by federal regulation
6 by which the distribution of property must begin in order to avoid a penalty, if no such
7 distribution has been made.

8 (2) Thirty years after the date on which the account was opened.

9 **SECTION 53.** 177.0204 of the statutes is created to read:

10 **177.0204 When custodial account for a minor presumed abandoned.**

11 (1) Subject to s. 177.0210, property held in an account established under any state's
12 uniform gifts to minors act or uniform transfers to minors act is presumed abandoned
13 if it is unclaimed by or on behalf of the minor on whose behalf the account was opened
14 3 years after the earliest of the following:

15 (a) The date on which a 2nd consecutive communication sent by the holder by
16 1st class mail to the minor's custodian is returned to the holder by the U.S. postal
17 service as undeliverable.

18 (b) If the 2nd communication is sent by the holder to the minor's custodian later
19 than 30 days after the date on which the first communication is returned to the
20 holder by the U.S. postal service as undeliverable, the date on which the first
21 communication was returned as undeliverable.

22 (c) The date on which the minor's custodian is required to transfer the property
23 to the minor or the minor's estate in accordance with the uniform gifts to minors act
24 or uniform transfers to minors act of the state in which the account was opened.

ASSEMBLY BILL 752**SECTION 53**

1 **(2)** If the holder does not send communications to the custodian by 1st class
2 mail, as described in sub. (1), the holder shall attempt to confirm the custodian's
3 interest in the property by sending the custodian e-mail not later than 2 years after
4 the custodian's last indication of interest in the property, except that the holder shall
5 promptly attempt to contact the custodian by 1st class mail if any of the following
6 applies:

7 (a) The holder does not have information needed to send the custodian e-mail
8 or the holder believes that the custodian's e-mail address in the holder's records is
9 not valid.

10 (b) The holder receives notification that the e-mail was not received.

11 (c) The custodian does not respond to the e-mail within 30 days from the date
12 on which the e-mail was sent.

13 **(3)** If 1st class mail sent under sub. (2) is returned to the holder by the U.S.
14 postal service as undeliverable, the property is presumed abandoned 3 years after
15 the date on which the mail is returned.

16 **(4)** The property in the account described under sub. (1) is not subject to this
17 section after the property is transferred to the minor or the minor's estate.

18 **SECTION 54.** 177.0205 of the statutes is created to read:

177.0205 When contents of safe deposit box presumed abandoned.

20 Tangible property held in a safe deposit box and proceeds from a sale of the property
21 by the holder permitted by law of this state other than this chapter are presumed
22 abandoned if the property remains unclaimed by the apparent owner 5 years after
23 the earliest of the following:

24 **(1)** The expiration of the lease or rental period for the box.

ASSEMBLY BILL 752**SECTION 54**

1 **(2)** The earliest date when the lessor of the box is authorized by contract or law
2 of this state other than this chapter to enter the box and remove or dispose of the
3 contents without consent or authorization of the lessee.

4 **SECTION 55.** 177.0207 of the statutes is created to read:

5 **177.0207 When security presumed abandoned.** (1) Subject to s. 177.0210,
6 a security is presumed to be abandoned 3 years after the following:

7 (a) The date on which a 2nd consecutive communication sent by the holder by
8 1st class mail to the apparent owner is returned to the holder by the U.S. postal
9 service as undeliverable.

10 (b) If the 2nd communication is sent by the holder to the apparent owner later
11 than 30 days after the date on which the first communication is returned to the
12 holder by the U.S. postal service as undeliverable, the date on which the first
13 communication was returned as undeliverable.

14 **(2)** If the holder does not send communications to the apparent owner of the
15 security by 1st class mail, as described in sub. (1), the holder shall attempt to confirm
16 the apparent owner's interest in the security by sending the apparent owner e-mail
17 not later than 2 years after the apparent owner's last indication of interest in the
18 security, except that the holder shall promptly attempt to contact the apparent owner
19 by 1st class mail if any of the following applies:

20 (a) The holder does not have information needed to send the apparent owner
21 e-mail or the holder believes that the apparent owner's e-mail address in the
22 holder's records is not valid.

23 (b) The holder receives notification that the e-mail was not received.

24 (c) The apparent owner does not respond to the e-mail within 30 days from the
25 date on which the e-mail was sent.

ASSEMBLY BILL 752**SECTION 55**

1 **(3)** If 1st class mail sent under sub. (2) is returned to the holder by the U.S.
2 postal service as undeliverable, the security is presumed abandoned 3 years after the
3 date on which the mail is returned.

4 **SECTION 56.** 177.0208 of the statutes is created to read:

5 **177.0208 When related property presumed abandoned.** At and after the
6 time property is presumed abandoned under this chapter, any property right or
7 interest accrued or accruing from property presumed abandoned under this chapter
8 is presumed abandoned.

9 **SECTION 57.** 177.0210 of the statutes is created to read:

10 **177.0210 Indication of apparent owner interest in property.** (1)
11 Property is presumed abandoned from the earliest of the following:

12 (a) The date on which the property is otherwise presumed abandoned under
13 this subchapter.

14 (b) The date on which the dormancy period has elapsed following the last
15 indication of interest by the apparent owner in the property.

16 **(2)** Under this chapter, an indication of an apparent owner's interest in
17 property includes the following:

18 (a) A record communicated by the apparent owner to the holder or the holder's
19 agent concerning the property or the account in which the property is held.

20 (b) An oral communication by the apparent owner to the holder or agent of the
21 holder concerning the property or the account in which the property is held, if the
22 holder or the holder's agent contemporaneously makes and preserves a record of the
23 fact of the apparent owner's communication.

24 (c) Presentment of a check or other instrument of payment of a dividend,
25 interest, or other distribution, or evidence of receipt of a distribution made by

ASSEMBLY BILL 752

1 electronic or similar means, with respect to an account, underlying security, or
2 interest in a business association.

3 (d) Activity directed by an apparent owner in the account in which the property
4 is held, including accessing the account or information concerning the account, or a
5 direction by the apparent owner to increase, decrease, or otherwise change the
6 amount or type of property held in the account.

7 (e) A deposit into or withdrawal from an account at a financial organization,
8 including an automatic deposit or withdrawal previously authorized by the apparent
9 owner, other than an automatic reinvestment of dividends or interest.

10 (f) Subject to sub. (5), payment of a premium on an insurance policy.

11 (g) Any other action by the apparent owner that reasonably demonstrates to
12 the holder that the apparent owner knows that the property exists.

13 (3) An action by an agent or other representative of an apparent owner, other
14 than the holder acting as the apparent owner's agent, is presumed to be an action on
15 behalf of the apparent owner.

16 (4) A communication with an apparent owner by a person other than the holder
17 or the holder's representative is not an indication of interest in the property by the
18 apparent owner unless a record of the communication evidences the apparent
19 owner's knowledge of a right to the property.

20 (5) If an insured person dies or the insured or beneficiary of an insurance policy
21 otherwise becomes entitled to the proceeds before depletion of the cash surrender
22 value of the policy by operation of an automatic-premium-loan provision or other
23 nonforfeiture provision contained in the policy, the operation does not prevent the
24 policy from maturing or terminating for purposes of this chapter.

25 **SECTION 58.** 177.0211 of the statutes is created to read:

1 **177.0211 Knowledge of death of insured or annuitant.** (1) In this section,
2 “death master file” means the federal social security administration death master
3 file or other database or service that is at least as comprehensive as the federal social
4 security administration death master file for determining that a person has
5 reportedly died.

6 (2) With respect to a life or endowment insurance policy or annuity contract
7 for which an amount is owed on proof of death, but which has not matured by proof
8 of death of the insured or annuitant, the insurance company has knowledge of the
9 death of an insured or annuitant when any of the following occurs:

10 (a) The insurance company receives a death certificate or court order
11 determining that the insured or annuitant has died.

12 (b) The insurance company or other person validates the death of the insured
13 or annuitant by its performance of due diligence, as required under ch. 632 or other
14 law, to maintain contact with the insured or annuitant to determine whether the
15 insured or annuitant has died.

16 (c) The insurance company compares for any purpose a death master file with
17 the names of some or all of the company’s insureds or annuitants, finds a match that
18 provides notice that the insured or annuitant has died, and the company validates
19 the death.

20 (d) The insurance company receives notice of the death of the insured or
21 annuitant from a beneficiary, policy owner, relative, or trustee, or from the personal
22 or legal representative of the insured’s or annuitant’s estate and the company
23 validates the death.

24 (3) The following applies to validating the death of the insured or annuitant
25 under this section:

ASSEMBLY BILL 752

(a) A death master file match occurs if the criteria for an exact or partial match is satisfied as provided by a law of this state other than this chapter or by a rule promulgated or policy adopted by the office of the commissioner of insurance.

(b) A death master file match does not constitute proof of death for the purpose of submission to an insurance company of a claim by a beneficiary, annuitant, or owner of the policy or contract for an amount due under an insurance policy or annuity contract.

(c) The death master file match or validation of the insured's or annuitant's death does not alter the requirements for a beneficiary, annuitant, or owner of the policy or contract to make a claim to receive proceeds under the terms of the policy or contract.

(d) If no provision in a law of this state or a rule promulgated or policy adopted by the office of the commissioner of insurance establishes a time for validation of a death of an insured or annuitant, the insurance company shall make a good faith effort using other available records and information to validate the death, and document the effort taken for such validation, not later than 90 days after the insurance company has notice of the death.

(4) This chapter does not affect the determination of the extent to which an insurance company before the effective date of this chapter had knowledge of the death of an insured or annuitant or was required to conduct a death master file comparison to determine whether amounts owed by the company on a life or endowment insurance policy or annuity contract were presumed abandoned or unclaimed.

SECTION 59. 177.0212 of the statutes is created to read:

177.0212 Deposit account for proceeds of insurance policy or annuity

2 **contract.** If proceeds payable under a life or endowment insurance policy or annuity
3 contract are deposited into an account with check or draft writing privileges for the
4 beneficiary of the policy or contract and, under a supplementary contract not
5 involving annuity benefits other than death benefits, the proceeds are retained by
6 the insurance company or the financial organization where the account is held and
7 the policy or contract includes the assets in the account, the assets in the account are
8 subject to the same presumption of abandonment that is applied to the underlying
9 policy or contract.

10 **SECTION 60.** 177.0214 of the statutes is created to read:

11 177.0214 Distributions by certain insurance company activities. (1)

12 Subject to s. 177.0210, property distributable in the course of a demutualization of
13 an insurance company is presumed abandoned.

14 (2) Subject to s. 177.0210, property distributable in the course of the dissolution
15 of the Health Insurance Risk-Sharing Plan under 2013 Wisconsin Act 20, section
16 9122 (1L), and 2013 Wisconsin Act 116, section 32 (1) (b), is presumed abandoned.

17 **SECTION 61.** 177.03 of the statutes is repealed.

18 **SECTION 62.** Subchapter III (title) of chapter 177 [precedes 177.0301] of the
19 statutes is created to read:

20 CHAPTER 177**21 SUBCHAPTER III****22 TAKING CUSTODY OF PROPERTY****23 PRESUMED ABANDONED**

24 **SECTION 63.** 177.0301 of the statutes is created to read:

ASSEMBLY BILL 752

1 **177.0301 Address of apparent owner to establish priority.** (1) The
2 last-known address of an apparent owner is any description, code, or other
3 indication of the location of the apparent owner that identifies the state, even if the
4 description, code, or indication of location is not sufficient to direct the delivery of 1st
5 class mail to the apparent owner.

6 (2) If the zip code associated with the apparent owner is for a post office located
7 in this state, this state is deemed to be the state of the last-known address of the
8 apparent owner unless other records associated with the apparent owner specifically
9 identify the physical address of the apparent owner to be in another state.

10 (3) If the address under sub. (2) is in another state, the other state is deemed
11 to be the state of the last-known address of the apparent owner.

12 (4) The address of the apparent owner of a life or endowment insurance policy
13 or annuity contract or its proceeds is presumed to be the address of the insured or
14 annuitant if a person other than the insured or annuitant is entitled to the amount
15 owed under the policy or contract and the address of the other person is not known
16 by the insurance company and cannot be determined under s. 177.0302.

17 **SECTION 64.** 177.0302 of the statutes is created to read:

18 **177.0302 Address of apparent owner in this state.** Unless otherwise
19 provided in this chapter or by another law of this state, if property is presumed
20 abandoned, the property is subject to reporting to and custody of this state whether
21 located in this state, another state, or a foreign country if any of the following applies:

22 (1) The last-known address of the apparent owner in the records of the holder
23 is in this state.

ASSEMBLY BILL 752**SECTION 64**

1 **(2)** The records of the holder do not reflect the identity or last-known address
2 of the apparent owner, but the administrator has determined that the last-known
3 address of the apparent owner is in this state.

4 **(3)** The records of the holder do not reflect the identity of the apparent owner,
5 but the records of the holder do reflect that the last-known address of the apparent
6 owner is in this state.

7 **SECTION 65.** 177.0303 of the statutes is created to read:

8 **177.0303 If records show multiple addresses of apparent owner.** **(1)**
9 Except as provided in sub. (2), if records of a holder reflect multiple addresses for an
10 apparent owner and this state is the state of the most recently recorded address, the
11 property is subject to reporting to and custody of this state and the administrator
12 may take custody of property presumed abandoned, whether located in this state or
13 another state.

14 **(2)** If it appears from records of the holder that the most recently recorded
15 address of the apparent owner under sub. (1) is a temporary address and this state
16 is the state of the next most recently recorded address that is not a temporary
17 address, the property is subject to reporting to and custody of this state and the
18 administrator may take custody of the property presumed abandoned.

19 **SECTION 66.** 177.0304 of the statutes is created to read:

20 **177.0304 Holder domiciled in this state.** **(1)** Except as provided in sub. (2)
21 or s. 177.0302 or 177.0303, property presumed abandoned is subject to reporting to
22 and custody of this state and the administrator may take custody of property
23 presumed abandoned, whether located in this state, another state, or a foreign
24 country, if the holder is domiciled in this state or is this state or a governmental
25 subdivision, agency, or instrumentality of this state, and any of the following applies:

ASSEMBLY BILL 752

(a) Another state or foreign country is not entitled to the property because there is no last-known address of the apparent owner or other person entitled to the property in the records of the holder.

(b) The state or foreign country of the last-known address of the apparent owner or other person entitled to the property does not provide for custodial taking of the property.

(2) Property is not subject to the custody of the administrator under sub. (1) if the property is specifically exempt from custodial taking under the laws of this state or the state or foreign country of the last-known address of the apparent owner.

(3) If a holder's state of domicile has changed since the time the property was presumed abandoned, the holder's state of domicile for purposes of this section is deemed to be the state where the holder was domiciled at the time the property was presumed abandoned.

SECTION 67. 177.0305 of the statutes is created to read:

177.0305 Custody if transaction took place in this state. Except as provided in ss. 177.0302, 177.0303, or 177.0304, property presumed abandoned is subject to reporting to and custody of this state and the administrator may take custody of property presumed abandoned whether located in this state or another state if any of the following applies:

(1) The transaction out of which the property arose took place in this state.

(2) The holder is domiciled in a state that does not provide for the custodial taking of the property, except that if the property is specifically exempt from custodial taking under the law of the state of the holder's domicile, the property is not subject to the custody of the administrator.

ASSEMBLY BILL 752**SECTION 67**

1 **(3)** The last-known address of the apparent owner or other person entitled to
2 the property is unknown or in a state that does not provide for the custodial taking
3 of the property, except that if the property is specifically exempt from custodial
4 taking under the law of the state of the last-known address, the property is not
5 subject to the custody of the administrator.

6 **SECTION 68.** 177.0306 of the statutes is created to read:

7 **177.0306 Travelers check, money order, or similar instrument.** Sums
8 payable on a travelers check, money order, or similar instrument presumed
9 abandoned are subject to reporting to and custody of this state and the administrator
10 may take custody of such sums to the extent permitted under 12 U.S.C. 2501 to 2503.

11 **SECTION 69.** 177.0307 of the statutes is created to read:

12 **177.0307 Virtual currency.** Virtual currency presumed abandoned is subject
13 to reporting and custody of this state if the holder is able to convert virtual currency
14 to U.S. currency by sale, exchange, or any other disposition. The holder shall convert
15 the virtual currency to U.S. currency for delivery to the administrator.

16 **SECTION 70.** 177.0308 of the statutes is created to read:

17 **177.0308 Hazardous or dangerous items found in safe deposit box.**
18 Thirty days prior to delivery of any hazardous or dangerous items such as guns,
19 chemicals, or explosives under s. 177.0205, the holder shall provide written notice
20 to the administrator and deliver the hazardous or dangerous items as required by
21 the administrator.

22 **SECTION 71.** 177.04 of the statutes is repealed.

23 **SECTION 72.** Subchapter IV (title) of chapter 177 [precedes 177.0401] of the
24 statutes is created to read:

CHAPTER 177

ASSEMBLY BILL 752

SUBCHAPTER IV

REPORT BY HOLDER

SECTION 73. 177.0401 of the statutes is created to read:

177.0401 Report required by holder. (1) (a) A holder of property presumed abandoned and subject to the custody of the administrator shall report in a record the administrator concerning the property.

(b) A holder shall report electronically in a format approved by the administrator, unless the administrator approves another method.

(2) A holder may contract with a 3rd party to make the report required under sub. (1).

(3) Regardless of whether a holder enters into a contract under sub. (2), the holder is responsible to the administrator for the complete, accurate, and timely reporting of property presumed abandoned and for paying or delivering the property described in the report to the administrator.

SECTION 74. 177.0402 of the statutes is created to read:

177.0402 Content of report. (1) The report required under s. 177.0401 shall be signed by or on behalf of the holder and verified as to its completeness and accuracy and be in a secure format, as approved by the administrator, that protects the apparent owner's confidential information in the same manner as is required of the administrator and administrator's agent under subch. IX. The report shall contain the following information:

(a) A description of the property.

(b) Unless the property is a traveler's check, money order, or similar instrument, the name, last-known address, social security number or taxpayer

ASSEMBLY BILL 752**SECTION 74**

1 identification number, and date of birth of the property's apparent owner, if such
2 information is known or readily ascertainable.

3 (c) For an amount held or owing under a life or endowment insurance policy or
4 annuity contract, the name, social security number or taxpayer identification
5 number, if known, date of birth, if known, and last-known address of the insured,
6 annuitant, or other apparent owner of the policy or contract and of each beneficiary.

7 (d) For property held in or removed from a safe deposit box or other safekeeping
8 repository or for other tangible personal property, an itemized inventory and
9 description of the property, including the location of the property where it may be
10 inspected by the administrator and any amounts owed to the holder.

11 (e) The commencement date for determining abandonment under subch. II.

12 (f) A statement that the holder has complied with the notice requirements of
13 s. 177.0501.

14 (g) Any other information prescribed by the administrator.

15 (2) A report under s. 177.0401 may include in the aggregate items valued under
16 \$5 each only if the apparent owner is unknown.

17 (3) A report under s. 177.0401 may include personal information, as defined
18 in s. 177.1401 (1), about the apparent owner or the apparent owner's property to the
19 extent not otherwise prohibited by federal law.

20 (4) If a holder has changed the holder's name while holding property presumed
21 abandoned or is a successor to another person that previously held the property for
22 the apparent owner, the holder shall include in the report under s. 177.0401 the
23 holder's former name or the name of the previous holder, if any, and the known name
24 and address of each previous holder of the property.

25 **SECTION 75.** 177.0403 of the statutes is created to read:

ASSEMBLY BILL 752

1 **177.0403 When report to be filed.** (1) Subject to sub. (2), the report under
2 s. 177.0401 shall be filed on or before November 1 of each year and cover the 12
3 months preceding July 1 of that year.

4 (2) Before the due date for filing the report under s. 177.0401, the holder of
5 property presumed abandoned may request the administrator to extend the time for
6 filing. The administrator may grant an extension of 60 days or other period agreed
7 to by the administrator.

8 **SECTION 76.** 177.0404 of the statutes is created to read:

9 **177.0404 Retention of records by holder.** (1) A holder required to file a
10 report under s. 177.0401 shall retain records for 10 years after the later of the date
11 on which the report was filed or the last date on which a timely report was due to be
12 filed, unless a shorter period is prescribed by rule by the administrator.

13 (2) The holder may satisfy the requirement to retain records under this section
14 through an agent.

15 (3) The records retained under this section shall include the following:

16 (a) The information required to be included in the report under s. 177.0401.

17 (b) The date, place, and nature of the circumstances that gave rise to the
18 property right.

19 (c) The amount or value of the property.

20 (d) The last address of the apparent owner, if known to the holder.

21 (e) If the holder sells, issues, or provides to others for sale or issue in this state
22 travelers checks, money orders, or similar instruments, other than 3rd-party bank
23 checks, on which the holder is directly liable, a record of the instruments while they
24 remain outstanding, indicating the state and date of issue.

25 **SECTION 77.** 177.0405 of the statutes is created to read:

1 **177.0405 Property reportable and payable or deliverable absent**
2 **owner demand.** Property is reportable and payable or deliverable under this
3 chapter even if the owner fails to make demand or present an instrument or
4 document otherwise required to obtain payment.

5 **SECTION 78.** 177.0406 of the statutes is created to read:

6 **177.0406 Negative reporting.** (1) The administrator may require any
7 person or persons to file a report as otherwise prescribed in this section, except that
8 the administrator may specify a deadline after the deadline specified in s. 177.0403.

9 (2) The administrator may require any person to file a report even if the person
10 believes the person is not in possession of any property reportable or deliverable
11 under this chapter.

12 **SECTION 79.** 177.05 of the statutes is repealed.

13 **SECTION 80.** Subchapter V (title) of chapter 177 [precedes 177.0501] of the
14 statutes is created to read:

15 **CHAPTER 177**

16 **SUBCHAPTER V**

17 **NOTICE TO APPARENT OWNER OF**

18 **PROPERTY PRESUMED ABANDONED**

19 **SECTION 81.** 177.0501 of the statutes is created to read:

20 **177.0501 Notice to apparent owner by holder.** (1) Subject to sub. (2), the
21 holder of property presumed abandoned shall send to the apparent owner notice by
22 1st class mail that complies with s. 177.0502, in a format acceptable to the
23 administrator, not more than 120 days nor less than 60 days before filing the report
24 under s. 177.0401, if all of the following apply:

ASSEMBLY BILL 752

(a) The holder has in the holder's records an address for the apparent owner that the records do not indicate to be invalid and that is sufficient to direct the delivery of 1st class mail to the apparent owner.

(b) The value of the property is \$50 or more.

(2) If an apparent owner has consented to receive e-mail delivery from the holder, the holder shall send the notice described in sub. (1) both by 1st class mail to the apparent owner's last-known mailing address and by e-mail, unless the holder believes that the apparent owner's e-mail address is invalid.

SECTION 82. 177.0502 of the statutes is created to read:

177.0502 Contents of notice by holder. (1) Notice under s. 177.0501 shall contain a heading that reads substantially as follows: "Notice. The State of Wisconsin requires us to notify you that your property may be transferred to the custody of the state's unclaimed property administrator if you do not contact us before (the date that is 30 days after the date of the notice)."

(2) The notice under s. 177.0501 shall do all of the following:

(a) Identify the nature and, except for property that does not have a fixed value, the value of the property that is the subject of the notice.

(b) State that the property will be turned over to the administrator.

(c) State that after the property is turned over to the administrator an apparent owner that seeks return of the property shall file a claim with the administrator.

(d) State that property may be sold by the administrator.

(e) Provide instructions that the apparent owner shall follow to prevent the holder from reporting and paying or delivering the property to the administrator.

SECTION 83. 177.0503 (2n) of the statutes is created to read:

ASSEMBLY BILL 752**SECTION 83**

1 177.0503 **(2n)** (a) The administrator may publish, on behalf of the department
2 of children and families, the name and address of an apparent owner of uncashed
3 child support payments.

4 (b) At least quarterly, the department of children and families shall reimburse
5 the administrator, based on information provided by the administrator, for any
6 administrative expenses incurred under par. (a).

7 **SECTION 84.** 177.0504 of the statutes is created to read:

8 **177.0504 Cooperation among state officers and agencies to locate
9 apparent owners.** Unless otherwise prohibited by law, at the request of the
10 administrator, each officer, agency, board, commission, division, or department of
11 this state, any body politic or corporate created by this state for a public purpose, and
12 each political subdivision of this state shall make its books and records available to
13 the administrator and cooperate with the administrator to determine the current
14 address of an apparent owner of property held by the administrator under this
15 chapter.

16 **SECTION 85.** 177.0505 of the statutes is created to read:

17 **177.0505 Tax return identification of apparent owners.** (1) Annually,
18 before July 1, the administrator shall determine if either of the following applies to
19 any apparent owner of abandoned property under s. 177.0503:

20 (a) The apparent owner has filed a tax return in the 14 months preceding the
21 determination.

22 (b) The apparent owner is a debtor under s. 71.93 or 71.935.

23 (2) For any person who is identified in sub. (1) and who is not a debtor under
24 sub (1) (b), the administrator shall do the following:

ASSEMBLY BILL 752

1 (a) Deliver the property to the apparent owner, in the manner provided under
2 s. 177.0903, without requiring the apparent owner to file a claim under s. 177.0903,
3 if the value of the abandoned property is \$2,000 or less.

4 (b) Send written notice to the person, informing the person that he or she is the
5 owner of abandoned property held by the state and may file a claim with the
6 administrator for return of the property under s. 177.0903, if the value of the
7 abandoned property is over \$2,000.

8 **(3)** For any person who is identified in sub. (1) and who is a debtor under sub.
9 (1) (b), the administrator shall setoff the abandoned property against the person's
10 debts under s. 71.93 or 71.935. If there is any remaining property after setoff, the
11 administrator shall proceed under sub. (2) (a) or (b).

12 **(4)** Any property paid or delivered to a person under this section is subject to
13 recovery by the administrator as provided in s. 177.1206 and this chapter.

14 **SECTION 86.** 177.06 of the statutes is repealed.

15 **SECTION 87.** Subchapter VI (title) of chapter 177 [precedes 177.0601] of the
16 statutes is created to read:

17 **CHAPTER 177**

18 **SUBCHAPTER VI**

19 **TAKING CUSTODY OF PROPERTY**

20 **BY ADMINISTRATOR**

21 **SECTION 88.** 177.0601 of the statutes is created to read:

22 **177.0601 Definition of good faith.** In this subchapter, payment or delivery
23 of property is made in good faith if any of the following applies:

1 **(1)** The holder had a reasonable basis for believing, based on the facts then
2 known, that the property was required or permitted to be paid or delivered to the
3 administrator under this chapter.

4 **(2)** The holder made payment or delivery in response to a demand by the
5 administrator or administrator's agent or under guidance or a ruling issued by the
6 administrator that the holder reasonably believed required or permitted the
7 property to be paid or delivered.

8 **SECTION 89.** 177.0602 of the statutes is created to read:

9 **177.0602 Dormancy charge.** **(1)** A holder may deduct a dormancy charge
10 from property required to be paid or delivered to the administrator if all of the
11 following apply:

12 (a) A valid written contract between the holder and the apparent owner
13 authorizes imposition of the charge for the apparent owner's failure to claim the
14 property within a specified time.

15 (b) The holder regularly imposes the charge and regularly does not reverse or
16 otherwise cancel or not collect the charge.

17 **(2)** The amount of the deduction under sub. (1) is limited to an amount that is
18 not unconscionable considering all relevant factors, including the marginal
19 transactional costs incurred by the holder in maintaining the apparent owner's
20 property and any services received by the apparent owner.

21 **SECTION 90.** 177.0603 of the statutes is created to read:

22 **177.0603 Payment or delivery of property to administrator.** **(1)** Except
23 as otherwise provided in this section, upon filing a report under s. 177.0401, the
24 holder shall pay or deliver to the administrator the property described in the report.

ASSEMBLY BILL 752

1 **(2)** If property in a report under s. 177.0401 is an automatically renewable
2 deposit and a penalty or forfeiture in the payment of interest would result from
3 paying the deposit to the administrator at the time of the report, the date for payment
4 of the property to the administrator is extended until a penalty or forfeiture no longer
5 would result from payment, if the holder informs the administrator of the extended
6 date.

7 **(3)** After filing the report under s. 177.0401, property in a safe deposit box shall
8 be delivered to the administrator no later than December 1.

9 **(4)** If property reported to the administrator under s. 177.0401 is a security, the
10 administrator may do any of the following:

11 (a) Make an endorsement, instruction, or entitlement order on behalf of the
12 apparent owner to invoke the duty of the issuer, its transfer agent, or the securities
13 intermediary to transfer the security.

14 (b) Dispose of the security under s. 177.0702.

15 **(5)** If the holder of property reported to the administrator under s. 177.0401
16 is the issuer of a certificated security, the administrator may obtain a replacement
17 certificate in physical or book-entry form under s. 408.405. An indemnity bond is
18 not required for purposes of this subsection.

19 **(6)** The administrator shall establish procedures for the registration, issuance,
20 method of delivery, transfer, and maintenance of securities delivered to the
21 administrator by a holder.

22 **(7)** An issuer, holder, or transfer agent, or other person acting under this
23 section under instructions of and on behalf of the issuer or holder, is not liable to the
24 apparent owner for, and shall be indemnified by the state against, a claim arising
25 with respect to property after the property has been delivered to the administrator.

1 **SECTION 91.** 177.0604 of the statutes is created to read:

2 **177.0604 Effect of payment or delivery of property to administrator.**

3 **(1)** On payment or delivery of property to the administrator under this chapter, the
4 administrator, as agent for the state, assumes custody and responsibility for
5 safekeeping the property. A holder that pays or delivers property to the
6 administrator in good faith and substantially complies with ss. 177.0501 and
7 177.0502 is relieved of liability arising thereafter with respect to payment or delivery
8 of the property to the administrator.

9 **(2)** This state shall defend and indemnify a holder against liability on a claim
10 against the holder resulting from the payment or delivery of property to the
11 administrator made in good faith and after the holder substantially complied with
12 ss. 177.0501 and 177.0502.

13 **SECTION 92.** 177.0605 of the statutes is created to read:

14 **177.0605 Recovery of property by holder from administrator.** **(1)** A
15 holder that pays money to the administrator may file a claim for reimbursement from
16 the administrator of the amount paid if any of the following applies:

17 (a) The holder paid the money in error.

18 (b) After paying the money to the administrator, the holder paid money to a
19 person the holder reasonably believed was entitled to the money.

20 **(2)** If a claim for reimbursement under sub. (1) is made for a payment made on
21 a negotiable instrument, including a travelers check, money order, or similar
22 instrument, the holder shall submit proof that the instrument was presented and
23 payment was made to a person the holder reasonably believed was entitled to
24 payment. The holder may claim reimbursement even if the payment was made to
25 a person whose claim was made after expiration of a period of limitation on the

ASSEMBLY BILL 752

1 owner's right to receive or recover property, whether specified by contract or court
2 order and notwithstanding any law to the contrary.

3 (3) The administrator may only grant and pay a holder's claim under sub. (1)
4 if the money being claimed is in the administrator's possession.

5 (4) If a holder is reimbursed by the administrator under sub. (1) (b), the holder
6 may also recover from the administrator income or gain under s. 177.0607 that would
7 have been paid to the owner if the money had been claimed from the administrator
8 by the owner, to the extent the income or gain was paid by the holder to the owner.

9 (5) A holder that delivers property other than money to the administrator may
10 file a claim for return of the property from the administrator if any of the following
11 applies:

12 (a) The holder delivered the property in error.

13 (b) The apparent owner has claimed the property from the holder.

14 (6) The administrator may only grant and pay a holder's claim under sub. (5)
15 if the property being claimed is in the administrator's possession.

16 (7) A holder that files a claim under sub. (5) shall include with the claim
17 evidence sufficient to establish that the apparent owner claimed the property from
18 the holder or that the holder delivered the property to the administrator in error.

19 (8) The administrator may determine that an affidavit submitted by a holder
20 is evidence sufficient to establish that the holder is entitled to reimbursement or to
21 recover property under this section.

22 (9) A holder is not required to pay a fee or other charge for reimbursement or
23 return of property under this section.

24 (10) Not later than 120 days after a claim is filed under sub. (1) or (4), the
25 administrator shall allow or deny the claim and give the claimant notice of the

ASSEMBLY BILL 752**SECTION 92**

1 decision in a record. If the administrator does not take action on a claim during the
2 120-day period, the claim is deemed denied.

3 **(11)** If a holder's claim is denied under this section, the holder may petition for
4 judicial review of the claim under s. 227.52, notwithstanding s. 227.52 (1), except
5 that petitions for review shall be served and filed no later than 90 days after the
6 decision of the administrator or no later than 180 days after the filing of the claim
7 if the administrator has failed to act on it. If the holder establishes the claim in an
8 action against the administrator, the hearing examiner or court may award costs and
9 reasonable attorney fees as permitted by s. 227.483, 227.485, or 814.245.

10 **(12)** If a holder receives reimbursement under this section, or for any other
11 reason under this chapter, and the holder is a debtor under s. 71.93 or 71.935, the
12 administrator shall setoff the reimbursement against the holder's debts under s.
13 71.93 or 71.935.

14 **SECTION 93.** 177.0606 of the statutes is created to read:

15 **177.0606 Property removed from safe deposit box.** Property removed
16 from a safe deposit box and delivered to the administrator is subject to the holder's
17 right to reimbursement for the cost of opening the box and a lien or contract providing
18 reimbursement to the holder for unpaid rent charges for the box. The administrator
19 shall reimburse the holder from payment made by the apparent owner in the process
20 of claiming the safe deposit box or the proceeds remaining after deducting the
21 expense incurred by the administrator in selling the property.

22 **SECTION 94.** 177.0607 of the statutes is created to read:

23 **177.0607 Income, interest, or gain while in the administrator's
24 custody.** If property is delivered to the administrator and income, interest, or gain
25 is realized or accrued while in the custody of the administrator, upon a valid and

ASSEMBLY BILL 752

1 allowed claim to the administrator, the owner is entitled to receive from the
2 administrator income, interest, or gain realized or accrued on the property while in
3 the custody of the administrator. Interest begins to accrue when the property is
4 delivered to the administrator and shall be at the rate earned while in custody of the
5 administrator.

6 **SECTION 95.** 177.0608 of the statutes is created to read:

7 **177.0608 Administrator's options as to custody.** The administrator may
8 decline to take custody of property reported under s. 177.0401 if the administrator
9 determines that any of the following applies:

10 (1) The property has a value less than the estimated expenses of notice and sale
11 of the property.

12 (2) Taking custody of the property would be unlawful.

13 (3) The property is not subject to custody or escheatment under this chapter.

14 **SECTION 96.** 177.0609 of the statutes is created to read:

15 **177.0609 Disposition of property having no substantial value; immunity from liability.** (1) If the administrator takes custody of property
16 delivered under this chapter and later determines that the property has no
17 substantial commercial value or that the cost of disposing of the property exceeds the
18 value of the property, the administrator may return the property to the holder or
19 destroy or otherwise dispose of the property.

20 (2) An action or proceeding may not be commenced against the state, an agency
21 of the state, the administrator, another officer, employee, or agent of the state, or a
22 holder for or because of an act of the administrator under this section.

23 **SECTION 97.** 177.0610 of the statutes is created to read:

177.0610 Periods of limitation and repose. (1) Expiration, before, on, or after the effective date of this subsection [LRB inserts date], of a period of limitation on an owner's right to receive or recover property, whether specified by contract or court order, and notwithstanding any law to the contrary, does not prevent the property from being presumed abandoned or affect the duty of a holder under this chapter to file a report or pay or deliver property to the administrator.

(2) The administrator may not commence an action or proceeding to enforce this chapter with respect to the reporting, payment, or delivery of property reported to the administrator more than 5 years after the holder filed a nonfraudulent report and reported the property under s. 177.0401 to the administrator.

(3) If a holder is required to file a report under s. 177.0401 and fails to do so, or if a holder files a report but does not report property required to be included with the report under 177.0401, the administrator may not commence an action, proceeding, or examination with respect to the reporting, payment, or delivery of the unreported property more than 10 years after the holder's duty to report arose.

(4) Subsections (1) to (3) do not apply in the case of the filing of a fraudulent report or to any collection action or proceeding under s. 177.1201 or 177.1206.

(5) For purposes of this section, the administrator and holder may extend any period of limitation by written agreement.

SECTION 98. 177.07 of the statutes is repealed.

SECTION 99. Subchapter VII (title) of chapter 177 [precedes 177.0701] of the statutes is created to read:

CHAPTER 177

SUBCHAPTER VII

SALE OF PROPERTY BY ADMINISTRATOR

1 **SECTION 100.** 177.0701 of the statutes is created to read:

2 **177.0701 Public sale of property.** (1) Except as provided in ss. 177.0702 and
3 177.1504, the administrator shall sell abandoned property within 3 years after
4 receiving the property.

5 (2) Before selling property under sub. (1), the administrator shall give notice
6 to the public of the date of the sale and include with the notice a reasonable
7 description of the property.

8 (3) Except as provided under sub. (4), a sale under sub. (1) shall be to the
9 highest bidder by any of the following means:

10 (a) At a public sale at a location in this state that the administrator determines
11 to be the most favorable market for the property.

12 (b) On the Internet.

13 (c) On another forum that the administrator determines is likely to yield the
14 highest net proceeds.

15 (4) The administrator may decline the highest bid at a sale under this section
16 and re-offer the property for sale if the administrator determines the highest bid is
17 insufficient.

18 (5) If a sale held under this section is to be conducted other than on the Internet,
19 the administrator shall publish at least one notice of the sale, at least 3 weeks, but
20 not more than 5 weeks before the sale, in a newspaper of general circulation in the
21 county in which the property is sold.

22 **SECTION 101.** 177.0702 of the statutes is created to read:

23 **177.0702 Disposal of securities.** (1) Unless the administrator determines
24 that it is in the best interest of this state to do otherwise, the administrator shall hold
25 all securities for at least one year before selling them.

ASSEMBLY BILL 752**SECTION 101**

1 **(2)** The administrator may not sell a security listed on an established stock
2 exchange for less than the price prevailing on the exchange at the time of sale. The
3 administrator may sell a security not listed on an established exchange by any
4 commercially-reasonable method.

5 **SECTION 102.** 177.0703 of the statutes is created to read:

6 **177.0703 Purchaser owns property after sale.** A purchaser of property at
7 a sale conducted by the administrator under this chapter takes the property free of
8 all claims of the owner, a previous holder, a creditor, or a person claiming an interest
9 through the owner or holder. The administrator shall execute documents necessary
10 to complete the transfer of ownership to the purchaser.

11 **SECTION 103.** 177.0704 of the statutes is created to read:

12 **177.0704 Military medal or decoration.** **(1)** The administrator may not sell
13 a medal or decoration awarded for service in the U.S. armed forces.

14 **(2)** The administrator may deliver a medal or decoration as described under
15 sub. (1) to any of the following entities, with the entity's consent, to hold in custody
16 for the owner:

17 (a) An entity organized under section 501 (c) (19) of the Internal Revenue Code.
18 (b) The agency that awarded the medal or decoration.
19 (c) A governmental entity.

20 **(3)** The administrator is not responsible for the safekeeping of a medal or
21 decoration after it is delivered to an entity under sub. (2).

22 **SECTION 104.** 177.075 of the statutes is repealed.

23 **SECTION 105.** 177.08 of the statutes is repealed.

24 **SECTION 106.** Subchapter VIII (title) of chapter 177 [precedes 177.0801] of the
25 statutes is created to read:

ASSEMBLY BILL 752

1

CHAPTER 177

2

SUBCHAPTER VIII

3

ADMINISTRATION OF PROPERTY

4

SECTION 107. 177.0801 of the statutes is created to read:

5

177.0801 Deposit of funds by administrator. (1) Except as provided in sub.

6

(2), the administrator shall deposit in the common school fund all funds received under this chapter, including proceeds from the sale of property under subch. VII and amounts received from the redemption of U.S. savings bonds under s. 177.1504.

7

(2) The administrator shall deposit in the general fund an amount that the administrator reasonably estimates is sufficient to pay claims allowed under this chapter and administrative expenses. For purposes of this subsection, "administrative expenses" means any of the following:

8

(a) Expenses for the disposition of property delivered to the administrator.

9

(b) Costs of mailing and publication in connection with property delivered to the administrator.

10

(c) Reasonable service charges.

11

(d) Expenses incurred in examining records of or collecting property from a putative holder or holder.

12

(e) Any costs in connection with the sale of abandoned property.

13

(f) Any costs in connection with the action under s. 177.0907 and the redemption of a U.S. savings bond under s. 177.0907.

14

(g) Salaries of the employees of the office of the state treasurer and the administrator that are attributable to the administration of this chapter.

15

SECTION 108. 177.0802 of the statutes is created to read:

1 **177.0802 Administrator to retain records of property.** The administrator
2 shall do all of the following:

3 **(1)** Record the name, last-known address, social security number or taxpayer
4 identification number, and date of birth of each person shown on a report filed under
5 s. 177.0401 to be the apparent owner of property delivered to the administrator.

6 **(2)** Record the name, last-known address, social security number or taxpayer
7 identification number, and date of birth of each insured or annuitant and beneficiary
8 shown on the report.

9 **(3)** For each policy of insurance or annuity contract listed in the report of an
10 insurance company, record the policy or account number, the name of the company,
11 and the amount due or paid.

12 **(4)** For each apparent owner listed in the report, record the name of the holder
13 that filed the report and the amount due or paid.

14 **(5)** For each U.S. savings bond, record the name and last-known address of
15 each owner of the U.S. savings bond and the issue date, face amount, and serial
16 number of the U.S. savings bond.

17 **SECTION 109.** 177.0803 of the statutes is created to read:

18 **177.0803 Administrator holds property as custodian for owner.** Subject
19 to subch. XIV, the information recorded by the administrator under s. 177.0802 is not
20 available for inspection or copying under s. 19.35 (1) until 12 months after payment
21 or delivery of the property is due under s. 177.0403.

22 **SECTION 110.** 177.09 of the statutes is renumbered 177.0215.

23 **SECTION 111.** Subchapter IX (title) of chapter 177 [precedes 177.0901] of the
24 statutes is created to read:

25 **CHAPTER 177**

ASSEMBLY BILL 752

SUBCHAPTER IX

CLAIM TO RECOVER PROPERTY
FROM ADMINISTRATOR

SECTION 112. 177.0901 of the statutes is created to read:

177.0901 Claim of another state to recover property. (1) If the administrator knows that property held by the administrator under this chapter is subject to a superior claim of another state, the administrator shall report and pay or deliver the property to the other state or return the property to the holder so that the holder may pay or deliver the property to the other state.

(2) The administrator may enter into an agreement to transfer property to the other state under sub. (1).

SECTION 113. 177.0902 of the statutes is created to read:

177.0902 When property subject to recovery by another state. (1)
Property held under this chapter by the administrator is subject to the right of another state to take custody of the property if any of the following applies:

(a) The property was paid or delivered to the administrator because the records of the holder did not reflect a last-known address in the other state of the apparent owner and the other state establishes that the last-known address of the apparent owner or other person entitled to the property was in the other state or, under the law of the other state, the property has become subject to a claim by the other state of abandonment.

(b) The records of the holder did not accurately identify the owner of the property, the last-known address of the owner was in another state, and, under the law of the other state, the property has become subject to a claim by the other state of abandonment.

(c) The property was subject to the custody of the administrator of this state under s. 177.0305 and, under the law of the state of domicile of the holder, the property has become subject to a claim by the state of domicile of the holder of abandonment.

(d) The property is a sum payable on a traveler's check, money order, or similar instrument that was purchased in the other state and delivered to the administrator under s. 177.0306 and, under the law of the other state, has become subject to a claim by the other state of abandonment.

(2) A claim by another state to recover property under this section must be presented in a form prescribed by the administrator, unless the administrator waives presentation of the form.

(3) The administrator shall make a decision regarding each claim under this section no later than 90 days after the claim is presented to the administrator. If the administrator determines that the other state is entitled under sub. (1) to custody of the property, the administrator shall allow the claim and pay or deliver the property to the other state.

(4) The administrator may require another state, before recovering property under this section, to agree to indemnify this state and its agents, officers, and employees against any liability on a claim to the property.

SECTION 114. 177.0903 of the statutes is created to read:

177.0903 Claim for property by person claiming to be owner. (1) A person claiming to be the owner of property held under this chapter by the administrator may file a claim for the property on a form prescribed by the administrator. The claimant shall verify the claim as to its completeness and accuracy.

ASSEMBLY BILL 752

1 **(2)** The administrator may waive the requirement under sub. (1) and may pay
2 or deliver property directly to a person if the person receiving the property or
3 payment is shown to be the apparent owner included on a report filed under s.
4 177.0401 and the administrator reasonably believes the person is entitled to receive
5 the property or payment.

6 **(3)** If a claim is submitted by a locator service that enters into an agreement
7 under subch. XIII, a copy of the agreement shall be filed with the claim, otherwise
8 the administrator shall deny the claim.

9 **(4)** The administrator may use state tax information to assist in identifying the
10 owner of property that has been abandoned as provided under this chapter or in
11 verifying a claim filed under this subchapter.

12 **SECTION 115.** 177.0904 of the statutes is created to read:

13 **177.0904 When administrator must honor claim for property.** **(1)** (a)
14 The administrator shall pay or deliver property to a claimant under s. 177.0903 (1)
15 if the administrator receives evidence sufficient to establish to the satisfaction of the
16 administrator that the claimant is the owner of the property.

17 (b) If a claim is made and allowed under subch. XIII, the administrator shall
18 pay or deliver property to the apparent owner of the property.

19 **(2)** Not later than 90 days after a claim is filed under s. 177.0903 (1), the
20 administrator shall allow or deny the claim and give the claimant notice in a record
21 of the decision. The administrator may refer any claim to the attorney general for
22 an opinion. For each claim referred, the attorney general shall advise the
23 administrator either to allow it or to deny it in whole or in part.

24 **(3)** If the administrator denies a claim under sub. (2), the administrator shall
25 inform the claimant of the reason for the denial and specify what additional evidence,

ASSEMBLY BILL 752**SECTION 115**

1 if any, is required for the claim to be allowed. The claimant may file an amended
2 claim with the administrator or commence an action under s. 177.0906. The
3 administrator shall consider an amended complaint filed under this subsection as an
4 initial claim.

5 (4) If the administrator does not take action on a claim during the 90-day
6 period following the filing of a claim under s. 177.0903 (1), the claim is denied.

7 **SECTION 116.** 177.0905 of the statutes is created to read:

8 **177.0905 Allowance of claim for property.** (1) Not later than 30 days after
9 a claim is allowed under s. 177.0904 (2), the administrator shall pay or deliver the
10 property to the owner or pay to the owner the net proceeds of a sale of the property,
11 together with income or gain to which the owner is entitled under s. 177.0607. Upon
12 request of the owner, the administrator may sell or liquidate a security and pay the
13 net proceeds to the owner, even if the security has been held by the administrator for
14 less than one year or the administrator has not complied with the notice
15 requirements under s. 177.0702.

16 (2) If the owner is a debtor under s. 71.93 or 71.935, before delivery or payment
17 of property to an owner under sub. (1) or payment to the owner of net proceeds of a
18 sale of the property, the administrator shall first setoff against the owner's debt
19 under s. 71.93 or 71.935.

20 (3) Any property paid or delivered to a person under this subchapter is subject
21 to recovery by the administrator as provided in s. 177.1206.

22 **SECTION 117.** 177.0906 of the statutes is created to read:

23 **177.0906 Action by person whose claim is denied.** (1) A person aggrieved
24 by a claim denial of the administrator or whose claim has not been acted upon within
25 90 days after its filing may petition for judicial review of the decision or of the claim

ASSEMBLY BILL 752

1 under s. 227.52, notwithstanding s. 227.52 (1), except that petitions for review shall
2 be served and filed within 90 days after the claim denial or within 180 days after the
3 filing of the claim if the administrator has failed to act on it.

7 SECTION 118. 177.10 of the statutes is repealed.

8 **SECTION 119.** Subchapter X (title) of chapter 177 [precedes 177.1001] of the
9 statutes is created to read:

CHAPTER 177

SUBCHAPTER X

REQUESTS FOR REPORTS;

EXAMINATION OF RECORDS

14 **SECTION 120.** 177.1001 of the statutes is created to read:

15 **177.1001 Verified report of property.** If a person does not file a report
16 required under s. 177.0401 or the administrator believes that a person may have
17 filed an inaccurate, incomplete, or false report, the administrator may require the
18 person to file a verified report in a form prescribed by the administrator. A verified
19 report shall include all of the following:

20 (1) A statement as to whether the person is holding property that is reportable
21 under this chapter.

22 **(2)** A description of the property not previously reported or about which the
23 administrator has inquired.

ASSEMBLY BILL 752**SECTION 120**

1 **(4)** The amount or value of the property.

2 **SECTION 121.** 177.1002 (3) of the statutes is created to read:

3 177.1002 (3) The administrator may at reasonable times and on reasonable
4 notice issue an administrative subpoena requiring the person or agent of the person
5 to make records available for examination. The attorney general may bring an action
6 seeking judicial enforcement of a subpoena issued under this subsection.

7 **SECTION 122.** 177.1002 (4) of the statutes is created to read:

8 177.1002 (4) If any person fails to file any report or refuses to deliver property
9 to the administrator as required under this chapter, the administrator may bring an
10 action in a court of appropriate jurisdiction to require the filing of the report and to
11 enforce delivery of the property.

12 **SECTION 123.** 177.1003 of the statutes is created to read:

13 **177.1003 Records obtained in examination.** Records obtained and records,
14 including work papers, compiled by the administrator in the course of conducting an
15 examination under s. 177.1002:

16 **(1)** Are subject to the confidentiality and security provisions of subch. XIV and
17 are not public records for purposes of subch. II of ch. 19.

18 **(2)** May be used by the administrator in an action to collect property or
19 otherwise enforce this chapter.

20 **(3)** May be used in a joint examination conducted with another state, the
21 federal government, a foreign country or subordinate unit of a foreign country, or any
22 other governmental entity if the governmental entity conducting the examination is
23 legally bound to maintain the confidentiality and security of information obtained
24 from a person subject to examination in a manner substantially equivalent to that
25 under subch. XIV.

1 **(4)** May be disclosed to the person that administers the unclaimed property law
2 of another state, upon that person's request, for that state's use in circumstances
3 equivalent to circumstances described in this subchapter, if the other state is
4 required to maintain the confidentiality and security of information obtained in a
5 manner substantially equivalent to that under subch. XIV.

6 **SECTION 124.** 177.1004 of the statutes is created to read:

7 **177.1004 Failure of person examined to retain records.** If a person
8 subject to examination under s. 177.1002 does not retain the records required by s.
9 177.0404, the administrator may determine the value of property due using a
10 reasonable method of estimation based on all information available to the
11 administrator, including extrapolation and use of statistical sampling when
12 appropriate and necessary.

13 **SECTION 125.** 177.11 of the statutes is repealed.

14 **SECTION 126.** Subchapter XI (title) of chapter 177 [precedes 177.1101] of the
15 statutes is created to read:

16 **CHAPTER 177**

17 **SUBCHAPTER XI**

18 **ASSESSMENTS AND APPEALS**

19 **SECTION 127.** 177.1101 of the statutes is created to read:

20 **177.1101 Default assessment.** When any person fails, neglects, or refuses
21 to file a report by the deadline prescribed by this chapter, the administrator may,
22 notwithstanding ss. 177.1001 and 177.1002 and according to the administrator's
23 best judgment, determine the amount of property that should have been reported
24 and remitted by that person under this chapter and may assess such amount against
25 the person.

ASSEMBLY BILL 752**SECTION 128**

1 **SECTION 128.** 177.1102 of the statutes is created to read:

2 **177.1102 Notice of assessment.** The administrator shall notify a person in
3 writing of any assessment under this chapter. The administrator shall serve that
4 notice as provided in s. 73.03 (73m). If the person is a corporation and the
5 administrator is unable to serve that corporation as provided in s. 73.03 (73m), the
6 administrator may serve the notice by publishing a class 3 notice under ch. 985 in
7 the official state newspaper.

8 **SECTION 129.** 177.1103 of the statutes is created to read:

9 **177.1103 Appeal of assessment.** The appeal provisions under ss. 71.88 (1)
10 (a) and (2) (a), 71.89, 71.90, 73.01 (1), (2), (3), (4), and (4m), and 73.015, as they apply
11 to a taxpayer and the department of revenue and consistent with this chapter, shall
12 apply to the person or holder and the administrator with respect to an assessment
13 under this chapter.

14 **SECTION 130.** 177.1104 of the statutes is created to read:

15 **177.1104 Penalties.** The provisions of s. 177.1204 shall apply to an amount
16 due as determined and assessed under this chapter.

17 **SECTION 131.** 177.12 of the statutes is renumbered 177.0213, and 177.0213 (1),
18 as renumbered, is amended to read:

19 177.0213 (1) ~~Intangible property~~ Property and any income or increment
20 derived from it held in a fiduciary capacity for the benefit of another person is
21 presumed abandoned unless the owner, within 5 years after it has become payable
22 or distributable, has increased or decreased the principal, accepted payment of
23 principal or income, ~~communicated concerning the property or otherwise indicated~~
24 an interest as evidenced by a ~~memorandum or other record on file prepared by the~~
25 ~~fiduciary provided in s. 177.0210.~~

ASSEMBLY BILL 752

1 **SECTION 132.** Subchapter XII (title) of chapter 177 [precedes 177.1201] of the
2 statutes is created to read:

CHAPTER 177

SUBCHAPTER XII

ENFORCEMENT

6 SECTION 133. 177.1201 of the statutes is created to read:

7 **177.1201 Enforcement.** (1) An assessment under this chapter that becomes
8 final and is not subject to administrative or judicial review is subject to action and
9 collection by the administrator under ss. 71.91, 71.92, and 73.03 (9), (20), (27), (28),
10 (33m), and (33p) consistent with action taken by the department of revenue with
11 respect to delinquent taxes under the same provisions.

17 **SECTION 134.** 177.1202 of the statutes is created to read:

177.1202 Interstate and international agreement; cooperation. (1)

19 Subject to sub. (2), the administrator may do all of the following:

20 (a) Exchange information with another state or foreign country relating to
21 property presumed abandoned or relating to the possible existence of property
22 presumed abandoned.

23 (b) Authorize another state or foreign country or a person acting on behalf of
24 the other state or country to examine its records of a putative holder as provided in

1 subch. X. The administrator shall make the authorization under this paragraph in
2 a record.

3 (2) An exchange or examination under sub. (1) may be done only if the state
4 or foreign country has confidentiality and security requirements substantially
5 equivalent to those in subch. XIV or agrees in a record to be bound by this state's
6 confidentiality and security requirements.

7 **SECTION 135.** 177.1203 of the statutes is created to read:

8 **177.1203 Action involving another state or foreign country.** (1) The
9 administrator may join another state or foreign country to examine the records of a
10 putative holder and seek enforcement of this chapter against a putative holder.

11 (2) At the request of another state or a foreign country, the attorney general
12 may commence an action on behalf of the other state or country to enforce, in this
13 state, the law of the other state or country against a putative holder subject to a claim
14 by the other state or country, if the other state or country agrees to pay costs incurred
15 by the attorney general in the action.

16 (3) The administrator may request the official authorized to enforce the
17 unclaimed property law of another state or a foreign country to commence an action
18 to recover property in the other state or country on behalf of the administrator. This
19 state shall pay the costs, including reasonable attorney's fees and expenses, incurred
20 by the other state or foreign country in an action under this section.

21 (4) The administrator may pursue an action on behalf of this state to recover
22 property subject to this chapter, but delivered to the custody of another state, if the
23 administrator believes the property is subject to the custody of the administrator.

24 (5) The administrator may retain an attorney in this state, another state, or
25 a foreign country to commence an action to recover property on behalf of the

ASSEMBLY BILL 752

1 administrator and may agree to pay attorney's fees based in whole or in part on a
2 fixed fee, hourly fee, or a percentage of the amount or value of property recovered in
3 the action.

4 **(6)** Expenses incurred by this state in an action under this section may be paid
5 from property received under this chapter or the net proceeds from the sale of the
6 property. Expenses paid to recover property may not be deducted from the amount
7 that is subject to a claim under this chapter by the owner.

8 **SECTION 136.** 177.1204 of the statutes is created to read:

9 **177.1204 Penalties.** (1) FAILURE TO FILE A REPORT. (a) Any person who fails
10 to timely file a report under this chapter shall pay a penalty equal to \$150.

11 (b) In addition to the penalty imposed under par. (a), any person who fails to
12 file a report by the time prescribed in a written request by the administrator may be
13 subject to a penalty of \$100 for each day the report is not filed.

14 (c) Any person who files a false or fraudulent report with intent to defeat or
15 evade the laws imposed under this chapter, is subject to the penalties under pars. (a)
16 and (b) and a fine of \$1,000 for each day from the date the report was made until
17 corrected or imprisonment for not more than 6 months, or both. The fine imposed
18 under this paragraph may not exceed the lesser of \$25,000 or an amount equal to 25
19 percent of the amount or value of any property that was required to be included in
20 the report that was not included or was underreported.

21 (2) FAILURE TO PAY OR DELIVER PROPERTY. (a) Any person who fails to timely pay
22 or deliver abandoned property to the administrator as required under this chapter
23 shall pay a penalty equal to 15 percent of the value of the property.

24 (b) In addition to the penalty imposed under par. (a), any person who fails to
25 pay or delivery abandoned property by the time prescribed in a written request from

ASSEMBLY BILL 752**SECTION 136**

1 the administrator may be subject to a penalty of \$100 for each day the property is not
2 paid or delivered.

3 **(3) FAILURE TO PERFORM OTHER DUTY.** Any person who fails to perform any other
4 duty required under this chapter, other than the duties for which a penalty is
5 imposed under sub. (1) or (2), may be subject to a penalty of up to a \$500 for each day
6 the duty is not performed, not to exceed \$10,000 in a calendar year.

7 **(4) ASSESSMENT AND COLLECTION.** The administrator shall assess and collect any
8 penalties under this section as it assesses and collects amounts or property due for
9 payment or delivery under this chapter.

10 **SECTION 137.** 177.1205 of the statutes is created to read:

11 **177.1205 Waiver of penalties.** The administrator may waive, in whole or in
12 part, the penalties imposed under s. 177.1204.

13 **SECTION 138.** 177.1206 of the statutes is created to read:

14 **177.1206 Recovery of property paid to incorrect claimant.** (1) If the
15 administrator pays or delivers property under this chapter in error to any person, the
16 administrator may assess the value of such property against the person. The
17 assessment is subject to interest at the rate for delinquent taxes under s. 71.82 (2)
18 from the date of assessment and to action and collection by the administrator under
19 ss. 71.91, 71.92, and 73.03 (9), (20), (27), (28), (33m), and (33p), consistent with action
20 taken by the department of revenue with respect to delinquent taxes.

21 **(2)** The administrator may accept property from a person that receives the
22 property in error prior to assessment under sub. (1), if the person acknowledges in
23 writing that the property was paid or delivered in error and waives any further
24 interest in the property.

ASSEMBLY BILL 752

1 **(3)** The appeal provisions of ss. 71.88 (1) (a) and (2) (a), 71.89, 71.90, 73.01 (1),
2 (2), (3), (4), and (4m), and 73.015, as they apply to a taxpayer and the department of
3 revenue and consistent with this chapter, shall apply to the person and the
4 administrator with respect to an assessment under this chapter.

5 **SECTION 139.** 177.13 of the statutes is repealed.

6 **SECTION 140.** Subchapter XIII (title) of chapter 177 [precedes 177.1301] of the
7 statutes is created to read:

8 **CHAPTER 177**

9 **SUBCHAPTER XIII**

10 **AGREEMENT TO LOCATE**

11 **PROPERTY OF APPARENT OWNER**

12 **HELD BY ADMINISTRATOR**

13 **SECTION 141.** 177.1301 of the statutes is created to read:

14 **177.1301 When agreement to locate property enforceable.** (1) In this
15 subchapter, “locator service” means a person who locates, delivers, recovers, or
16 assists in the location, delivery, and recovery of property held by the administrator.

17 **(2)** An agreement by an apparent owner and locator service is enforceable
18 under this chapter only if the agreement complies with all of the following:

19 (b) It is in a written, valid contract that clearly states the nature of the property
20 and the services to be provided.

21 (c) It is signed by the apparent owner or by an agent of the apparent owner.

22 (c) It states the amount or value of the property reasonably expected to be
23 recovered, computed before and after a deduction for any fee or other compensation
24 paid to the locator service.

1 (d) It includes a clear and prominent statement of the fee or other compensation
2 to be paid to the locator service, which may not exceed 10 percent of the actual
3 amount or value of the property recovered.

4 (e) It includes a clear and prominent statement disclosing the name and
5 address of the holder and whether the property has been paid or delivered to the
6 administrator.

7 (f) It includes a clear and prominent statement that the owner may file a claim
8 with the administrator without the assistance of a locator service.

9 **SECTION 142.** 177.1302 of the statutes is created to read:

10 **177.1302 When agreement to locate property void.** (1) Subject to sub.
11 (2), an agreement under s. 177.1301 is void if it is entered into during the period
12 beginning on the date the property is paid or delivered by a holder to the
13 administrator and ending 24 months after the payment or delivery.

14 (2) If any provision of an agreement under s. 177.1301 applies to mineral
15 proceeds for which compensation is to be paid to the locator service based in whole
16 or in part on a portion of the underlying minerals or mineral proceeds not then
17 presumed abandoned, the provision is void regardless of when the parties entered
18 into the agreement.

19 (3) This section does not apply to an apparent owner's agreement with an
20 attorney to contest the administrator's denial of a claim for recovery of the property.

21 **SECTION 143.** 177.135 of the statutes is renumbered 177.0206 and amended to
22 read:

23 **177.0206 When U.S. savings bonds presumed abandoned.** Except as
24 provided in ss. 177.12 (1), 177.13, and 177.16 s. 177.0205, a U.S. savings bond that
25 remains unredeemed by the owner for more than 5 years after the date of final

ASSEMBLY BILL 752

1 maturity is presumed abandoned. In this section, “final maturity” means the date
2 a U.S. savings bond stops earning interest upon reaching its final extended maturity
3 date.

4 **SECTION 144.** 177.14 of the statutes is repealed.

5 **SECTION 145.** Subchapter XIV (title) of chapter 177 [precedes 177.1401] of the
6 statutes is created to read:

7 **CHAPTER 177**

8 **SUBCHAPTER XIV**

9 **CONFIDENTIALITY AND SECURITY**

10 **OF INFORMATION**

11 **SECTION 146.** 177.1401 of the statutes is created to read:

12 **177.1401 Definitions; applicability.** (1) In this subchapter, “personal
13 information” means the following:

14 (a) Information that identifies or reasonable can be used to identify an
15 individual, including an individual’s first and last name in combination with any of
16 the following information associated with the individual:

17 1. A social security number or other government-issued number or identifier.

18 2. Date of birth.

19 3. Residential address.

20 4. An e-mail address or other online contact information or Internet provider
21 address.

22 5. A financial account number or credit or debit card number.

23 6. Biometric data, health or medical data, or insurance information.

24 7. Passwords or other credentials that permit access to an online or other
25 account.

(b) Personally identifiable financial or insurance information, including nonpublic personal information as defined by federal law.

(c) Any combination of data that, if accessed, disclosed, modified, or destroyed without authorization of the owner of the data or if lost or misused, would require notice or reporting under state or federal law, regardless of whether the administrator or the administrator's agent is subject to such law.

(2) All provisions of this subchapter that apply to the administrator or the records of the administrator apply to the administrator's agent and the records of the administrator's agent.

SECTION 147. 177.1402 of the statutes is created to read:

177.1402 Confidential information. (1) Except as otherwise provided in this chapter, the following are confidential and exempt from public inspection or disclosure under subch. II of ch. 19:

(a) Records of the administrator and the administrator's agent related to the administration of this chapter.

(b) Reports and records of a holder that are in the possession of the administrator or the administrator's agent.

(c) Personal information and other information derived or otherwise obtained by or communicated to the administrator or the administrator's agent from an examination under this chapter of the records of a person.

(d) Tax information that is confidential under s. 71.78.

(2) A record or other information that is confidential under the laws of this state, another state, or the United States continues to be confidential when disclosed or delivered under this chapter to the administrator or administrator's agent.

ASSEMBLY BILL 752

1 **(3)** The provisions of s. 71.78 (1) and (1m), as they apply to tax information,
2 apply to the confidential information in sub. (1), except that the administrator may
3 provide the name of a claimant or owner, along with any property claimed by or paid
4 to that claimant or owner, to any other claimant filing a claim for the same property.

5 **SECTION 148.** 177.1403 of the statutes is created to read:

6 **177.1403 When confidential information may be disclosed.** (1) When
7 reasonably necessary to enforce or implement this chapter, the administrator may
8 disclose confidential information concerning property held by the administrator or
9 the administrator's agent only to the following:

10 (a) An apparent owner or the apparent owner's personal representative or
11 special administrator, attorney, guardian, other legal representative, or a person
12 entitled to inherit from the deceased apparent owner.

13 (b) A department or agency of this state or the United States.

14 (c) The person that administers the unclaimed property law of another state,
15 if the other state accords substantially reciprocal privileges to the administrator of
16 this state and if the other state is required to maintain the confidentiality and
17 security of information obtained in a manner substantially equivalent to that under
18 this subchapter.

19 (d) A person subject to an examination as required by subch. X.

20 (b) (a) Except as otherwise provided in s. 177.1402 (1), the administrator shall
21 include on the administrator's Internet site or in the database required by s.
22 177.0503 the name of each apparent owner of property held by the administrator.

23 (b) The administrator may include on the administrator's Internet site or in the
24 database additional information concerning the apparent owner's property, if the
25 administrator believes that the information will assist in identifying and returning

1 property to the owner and if the information does not disclose personal information,
2 except the apparent owner's name and residential address.

3 (c) The administrator may include the information described in par. (b) in
4 published notices, printed publications, telecommunications, or other media or on
5 the Internet.

6 (3) The administrator and the administrator's agent may not use confidential
7 information provided to them or in their possession except as expressly authorized
8 by this chapter or by other law.

9 **SECTION 149.** 177.15 of the statutes is repealed.

10 **SECTION 150.** Subchapter XV (title) of chapter 177 [precedes 177.1501] of the
11 statutes is created to read:

12 **CHAPTER 177**

13 **SUBCHAPTER XV**

14 **MISCELLANEOUS PROVISIONS**

15 **SECTION 151.** 177.1505 of the statutes is created to read:

16 **177.1505 Voluntary disclosure.** (1) The administrator may enter into
17 voluntary disclosure agreements with holders if the following conditions are met:

18 (a) The holder failed to file a report required under this chapter or the holder
19 filed a report under this chapter and failed to include on the report all property
20 subject to reporting.

21 (b) The administrator is not conducting an examination or investigation of the
22 holder, as provided under s. 177.1002.

23 (c) The holder has not received a notification from the administrator of an
24 impending examination under s. 177.1002.

25 (d) The holder has not been notified of an assessment under subch. X or XI.

ASSEMBLY BILL 752

3 (f) The holder agrees to report and deliver any property that was abandoned
4 during any year to which the agreement applies within 60 days of execution of the
5 agreement. The holder must make a reasonable effort in good faith to calculate,
6 report, and deliver such property.

9 (h) The holder agrees to prospective compliance with this chapter.

10 (i) The holder agrees to waive appeal rights under this chapter for periods
11 under the agreement.

12 (2) For purposes of this section:

13 (a) The filing date is the date that the holder's application for voluntary
14 compliance is received by the administrator.

15 (b) The agreement is executed when signed by the holder and the
16 administrator.

19 (d) A holder who enters into an agreement with the administrator and upon
20 compliance with the terms in the agreement shall be relieved of any further liability
21 with respect to the property reported by the holder under the agreement.

22 (e) A holder who enters into an agreement with the administrator shall
23 maintain records with regard to property covered under the agreement in accordance
24 with s. 177.0404.

(f) The agreement shall apply to the 5 reporting periods immediately preceding the filing date of the holder's application.

(g) The administrator shall waive rights to an examination of records under s. 177.1001 with respect to the reporting periods in par. (f), and all earlier periods, except for the purpose of the administrator making determinations with respect to sub. (3) (a) and (b). Unless an agreement is null and void as provided in sub. (3), the administrator shall not have any cause of action against the holder resulting from failure of the holder to report any property abandoned during the reporting periods to which par. (f) applies or to any earlier periods.

(3) The administrator may declare an executed agreement null and void. In the case of an agreement that is null and void, the holder remains subject to all other provisions of this chapter. The administrator may declare an executed agreement null and void if at least one of the following applies:

(a) Fraud or intentional misrepresentation by the holder or those acting on the holder's behalf with respect to the property required to be reported for the period covered by the agreement.

(b) It is determined by the administrator that the property reported by the holder for the period covered by the agreement is less than 75 percent of the value of all property reportable by the holder for the period.

(c) The holder fails to remain in compliance with this chapter for no less than the 4 reporting periods following the final reporting period covered by the agreement.

(4) The administrator shall waive the provisions of s. 177.1204 with respect to reporting periods covered by the agreement if an application for voluntary disclosure is received by the administrator between the first day of the 3rd month and the last day of the 12th month after the effective date of this subsection [LRB inserts date],

1 and a voluntary disclosure agreement is executed within 180 days of receipt of the
2 application by the administrator. The administrator may enter into an agreement
3 with a holder to extend the date upon which the agreement must be executed and
4 shall waive the provisions of s. 177.1204 with respect to reporting periods covered by
5 an agreement executed under such extension.

6 **SECTION 152.** 177.16 of the statutes is repealed.

7 **SECTION 153.** 177.165 of the statutes is renumbered 177.0209 and amended to
8 read:

9 **177.0209 Proceeds from sale of property in self-service storage facility.**
10 Notwithstanding s. 177.02 (1) any other provision under this chapter, the proceeds
11 of a sale under s. 704.90 (6) of personal property stored in a leased facility located
12 within a self-service storage facility ~~after satisfaction of the operator's lien under s.~~
13 ~~704.90 (3) (a)~~ is presumed abandoned immediately after satisfaction of the operator's
14 lien under s. 704.90 (3) (a).

15 **SECTION 154.** 177.17 of the statutes is repealed.

16 **SECTION 155.** 177.18 of the statutes is renumbered 177.0503, and 177.0503
17 (title), (1), (1g), (1m), (2m) and (4), as renumbered, are amended to read:

18 **177.0503 (title) Notice and publication of lists of abandoned or**
19 **escheated property by administrator.** (1) Before July 1 of each year, the
20 administrator shall publish on an Internet site maintained by the administrator a
21 notice of the names of persons appearing to be apparent owners of abandoned
22 property reported and remitted to the administrator. Except as provided in sub.
23 (1m), the notice shall include the name and last-known address of each person
24 identified in a report filed under s. 177.17 177.0401 since the publication of the
25 previous notice. The administrator shall also publish the in a newspaper the names

ASSEMBLY BILL 752

SECTION 155

1 of apparent owners of abandoned property reported and remitted to the
2 administrator in the previous reporting year. The notice as shall be a class 1 notice
3 under ch. 985, and published in a newspaper of general circulation in the county in
4 which is located the last-known address of the person to be named in the notice. If
5 no address is listed or the address is outside this state, the notice shall be published
6 in the county in which the holder of the property has its principal place of business
7 within this state official state newspaper.

8 (1g) In addition to any notice required under sub. (1), the administrator shall
9 also publish, in the notice described under sub. (1), the name and last-known
10 address of each owner of a U.S. savings bond that has been presumed abandoned
11 under s. 177.135 177.0206 since the publication of the previous notice.

12 (1m) If the address of a person to be named in a notice under sub. (1) is outside
13 this state, and if the administrator has entered into an agreement under s. 177.33
14 (1) 177.1202 with the state in which the address is located, the administrator may
15 omit the information specified in sub. (2) with respect to that person from the notice
16 published under sub. (1).

17 (2m) For money or other property received under s. 852.01 (3), 863.37 (2) or
18 863.39 (1), a notice shall be published at least annually in the official state
19 newspaper and shall include the name of the decedent, the time and place of the
20 decedent's death, the amount paid to the administrator, the name of the decedent's
21 personal representative, the county in which the estate is probated and a statement
22 that the money will be paid to the heirs or legatees without interest, on proof of
23 ownership, if claimed within 10 years from the date of publication as provided in s.
24 863.39 (3).

1 **(4)** This section does not apply to sums payable on travelers checks, money
2 orders and other written instruments presumed abandoned under s. 177.04
3 177.0201.

4 **SECTION 156.** 177.19 of the statutes is repealed.

5 **SECTION 157.** 177.20 of the statutes is repealed.

6 **SECTION 158.** 177.21 of the statutes is repealed.

7 **SECTION 159.** 177.22 of the statutes is repealed.

8 **SECTION 160.** 177.225 of the statutes is renumbered 177.1504, and 177.1504

9 (1) (a) to (c) and (2), as renumbered, are amended to read:

10 177.1504 **(1)** (a) The U.S. savings bond has been presumed abandoned under
11 s. 177.135 177.0206 for at least one year.

12 (b) The U.S. savings bond is subject to the custody of this state as unclaimed
13 property under s. 177.03 subch. III.

14 (c) At least one year has elapsed since the administrator published the notice
15 required under s. 177.18 (1g) 177.0503.

16 **(2)** An action under sub. (1) may be commenced in the circuit court for Dane
17 County or in any county that would be a proper place of trial under s. 801.50. Subject
18 to sub. (3), service may be made under s. 801.11 (1) (c) by publication of a notice
19 published as a class 3 notice under ch. 985. In determining which newspaper is likely
20 to give notice as required under s. 985.02 (1), the administrator shall consider the
21 conditions under s. 177.03 177.0503 that made the U.S. savings bond subject to the
22 custody of this state as unclaimed property. The administrator may postpone
23 commencing an action under this subsection until sufficient U.S. savings bonds meet
24 the conditions under sub. (1) to justify the expense of the action.

25 **SECTION 161.** 177.23 of the statutes is repealed.

ASSEMBLY BILL 752**SECTION 162**

1 **SECTION 162.** 177.24 of the statutes is repealed.

2 **SECTION 163.** 177.25 of the statutes is repealed.

3 **SECTION 164.** 177.255 of the statutes is renumbered 177.0907 and amended to
4 read:

5 **177.0907 Claim to recover abandoned U.S. savings bond.**

6 Notwithstanding s. 177.225 177.1504, any person who could have claimed an
7 interest in a U.S. savings bond immediately before this state became the owner of the
8 U.S. savings bond pursuant to a judgment entered under s. 177.225 177.1504 (4) may
9 file a claim under s. 177.24 177.0903, and another state may file a claim under s.
10 177.25 177.0901. Notwithstanding s. 177.24 (3) 177.0607 or 177.25 (2) 177.0902, if
11 the claim is allowed, the administrator shall pay the claimant the amount the
12 administrator received from redeeming the U.S. savings bond under s. 177.225 (5)
13 177.1504, minus any amounts that were deposited in the general fund to pay
14 administrative expenses under s. 177.23 (2) 177.0803 that are attributable to the
15 U.S. savings bond, or, if the U.S. savings bond has not been redeemed, the amount
16 the administrator estimates the administrator will receive from redeeming the U.S.
17 savings bond under s. 177.225 (5) 177.1504, minus any amounts the administrator
18 estimates will be deposited in the general fund to pay administrative expenses under
19 s. 177.23 (2) 177.0803 that are attributable to the U.S. savings bond.

20 **SECTION 165.** 177.26 of the statutes is repealed.

21 **SECTION 166.** 177.265 of the statutes is repealed.

22 **SECTION 167.** 177.27 of the statutes is repealed.

23 **SECTION 168.** 177.28 of the statutes is repealed.

24 **SECTION 169.** 177.29 of the statutes is repealed.

ASSEMBLY BILL 752

1 **SECTION 170.** 177.30 (2) of the statutes is renumbered 177.1002 (1) and
2 amended to read:

3 177.1002 (1) The administrator, at reasonable times and upon reasonable
4 notice, may examine the records of any person to determine whether the person has
5 complied with this chapter. The administrator may authorize an agent, under
6 written contract with the administrator, to conduct any such examination. In
7 addition, the administrator may designate the division of banking or other
8 appropriate regulatory authority to examine the records of regulated institutions to
9 determine if the institutions have complied with this chapter. The administrator
10 may conduct the examination even if the person believes it is not in possession of any
11 property reportable or deliverable under this chapter.

12 **SECTION 171.** 177.30 (3) of the statutes is renumbered 177.1002 (5) and
13 amended to read:

14 177.1002 (5) If a person is treated under s. 177.12 177.0213 as the holder of the
15 property only insofar as the interest of the business association in the property is
16 concerned, the administrator may examine the records of the person as provided
17 under sub. (2) (1) if the administrator has given the required notice to both the person
18 and the business association at least 90 days before the examination.

19 **SECTION 172.** 177.30 (4) of the statutes is renumbered 177.1002 (2) and
20 amended to read:

21 177.1002 (2) If an examination of the records of a person results in the
22 disclosure discovery of property reportable and deliverable under this chapter, the
23 administrator shall assess the total value of the property against the person and may
24 assess the cost of the examination against the holder at the rate of \$150 a day for each
25 examiner, but the charges may not exceed the value of the property found to be

ASSEMBLY BILL 752**SECTION 172**

1 reportable and deliverable. The cost of examination under sub. ~~(3)~~ (5) may be
2 imposed only against the business association.

3 **SECTION 173.** 177.30 (5) of the statutes is repealed.

4 **SECTION 174.** 177.30 (6) of the statutes is renumbered 177.1005 and amended
5 to read:

6 **177.1005 Administrator's contract with another to conduct**
7 **examination.** **(1)** Except as provided in pars. ~~(b)~~ and ~~(e)~~ subs. ~~(2)~~ and ~~(3)~~, the
8 administrator may not enter into a contract or other agreement to allow any person
9 to engage in an audit on a contingent fee basis of another person's documents or
10 records as part of an effort to administer this chapter or to purchase information or
11 documents arising from the audit.

12 **(2)** If a person whose documents or records are audited is not domiciled in this
13 state, the administrator may enter into a contract or agreement described under par.
14 ~~(a)~~ sub. (1) related to the person if the amount of the contingent fee under the contract
15 or agreement does not exceed 12 percent of the total amount of property reportable
16 and deliverable under this chapter that is disclosed by the audit.

17 **(3)** This subsection section does not apply to information received from the
18 federal government.

19 **SECTION 175.** 177.30 (7) of the statutes is renumbered 177.1005 (4) and
20 amended to read:

21 **177.1005 (4) The Except as provided in s. 177.1004, the administrator may not**
22 **enter into a contract or other agreement as part of an effort to administer this chapter**
23 **that allows a person that is engaging in an audit of another person's documents or**
24 **records to use statistical sampling to estimate the other person's liability unless the**
25 **other person consents to the use of an estimate.**

1 **SECTION 176.** 177.31 of the statutes is repealed.

2 **SECTION 177.** 177.32 of the statutes is repealed.

3 **SECTION 178.** 177.33 of the statutes is repealed.

4 **SECTION 179.** 177.34 of the statutes is repealed.

5 **SECTION 180.** 177.35 of the statutes is repealed.

6 **SECTION 181.** 177.36 of the statutes is repealed.

7 **SECTION 182.** 177.37 of the statutes is renumbered 177.1502 and amended to
8 read:

9 **177.1502 Effect of new provisions; clarification of application.** (1) This
10 chapter does not relieve a holder of a duty that arose before December 31, 1984 the
11 effective date of this subsection [LRB inserts date], to report, pay, or deliver
12 property. A Subject to ss. 177.0610 (2) and (3), a holder who did not comply with the
13 law governing unclaimed property in effect before December 31, 1984 the effective
14 date of this subsection [LRB inserts date], is subject to the applicable enforcement
15 and penalty provisions that then existed and they are continued in effect for the
16 purpose of this subsection, except as provided in s. 177.29 (2) before the effective date
17 of this subsection [LRB inserts date].

18 (2) The initial report filed under this chapter for property that was not required
19 to be reported before December 31, 1984 the effective date of this subsection [LRB
20 inserts date], but which is subject to that is required to be reported under this
21 chapter, shall include all items of property that would have been presumed
22 abandoned during the 10-year period preceding December 31, 1984 the effective
23 date of this subsection [LRB inserts date], as if this chapter had been in effect
24 during that period.

25 **SECTION 183.** 177.38 of the statutes is renumbered 177.016.

ASSEMBLY BILL 752**SECTION 184**

1 **SECTION 184.** 177.40 of the statutes is renumbered 177.1501.

2 **SECTION 185.** 177.41 of the statutes is renumbered 177.1503.

3 **SECTION 186.** 193.735 (1) (intro.) of the statutes is amended to read:

4 **193.735 (1) ALTERNATE PROCEDURE TO DISTRIBUTE PROPERTY.** (intro.)

5 Notwithstanding ~~s. 177.17 (4) (a) 2. and (b) ch. 177~~, a cooperative may distribute any
6 property required to be reported under ~~s. 177.17 (1) subch. IV of ch. 177~~ to an entity
7 that is exempt from taxation under section 501 (a) of the Internal Revenue Code. A
8 cooperative making a distribution under this subsection shall file all of the following
9 with the secretary of revenue before making the distribution:

10 **SECTION 187.** 193.735 (2) of the statutes is amended to read:

11 **193.735 (2) REPORTING PROCEDURE NOT AFFECTED.** Subsection (1) does not affect
12 the requirement that a cooperative report property under ~~s. 177.17 (1) subch. IV of~~
13 ch. 177.

14 **SECTION 188.** 610.61 of the statutes is amended to read:

15 **610.61 Duty of life insurers to report abandoned property.** An insurer
16 doing a life insurance business shall report under ~~s. 177.17 subch. IV of ch. 177~~ any
17 property presumed abandoned under ~~s. 177.07 subch. II of ch. 177~~.

18 **SECTION 189.** 632.63 (4) of the statutes, as created by 2017 Wisconsin Act 192,

19 is amended to read:

20 **632.63 (4) PAYMENT OF BENEFITS.** The benefits from a policy, contract, or a
21 retained asset account, plus any applicable accrued contractual interest, shall first
22 be payable to the designated beneficiaries or owners and, in the event said
23 beneficiaries or owners cannot be found, shall escheat to the state as unclaimed
24 property under ch. 177. Interest payable under s. 628.46 shall not be payable as
25 unclaimed property under ~~s. 177.07 subch. II of ch. 177~~.

1 **SECTION 190.** 863.37 (2) (a) of the statutes is amended to read:

2 863.37 (2) (a) Whenever payment of a legacy or a distributive share cannot be
3 made to the person entitled to payment or it appears that the person may not receive
4 or have the opportunity to obtain payment, the court may, on petition of a person
5 interested or on its own motion, order that the funds be paid or delivered to the
6 secretary of revenue for deposit as provided under ~~s. 177.23~~ subch. VIII of ch. 177.
7 Claims on the funds may be made under s. 863.39 within 10 years after the date of
8 publication under ~~s. 177.18~~ 177.0503. When a claimant to the funds resides outside
9 the United States or its territories the court may require the personal appearance
10 of the claimant before the court.

11 **SECTION 191.** 863.39 (1) of the statutes is amended to read:

12 863.39 (1) GENERALLY. If any legacy or intestate property is not claimed by the
13 distributee within 120 days after entry of final judgment, or within the time
14 designated in the judgment, it shall be converted into money as close to the inventory
15 value as possible and paid to the ~~secretary of revenue~~ administrator for deposit as
16 provided under ~~s. 177.23~~ 177.0801. Claims for the money shall be made under sub.
17 (3).

18 **SECTION 192.** 863.39 (3) (a) of the statutes is amended to read:

19 863.39 (3) (a) Within 10 years after the date of publication under ~~s. 177.18~~
20 177.0503, any person claiming any amount deposited under sub. (1) may file in the
21 probate court in which the estate was settled a petition alleging the basis of his or
22 her claim. The court shall order a hearing upon the petition, and 20 days' notice of
23 the hearing and a copy of the petition shall be given by the claimant to the
24 department of revenue and to the attorney general, who may appear for the state at
25 the hearing. If the claim is established it shall be allowed without interest, but

ASSEMBLY BILL 752**SECTION 192**

1 including any increment which may have occurred on securities held, and the court
2 shall so certify to the department of administration, which shall audit the claim. The
3 secretary of revenue shall pay the claim out of the appropriation under s. 20.566 (4)
4 (j). Before issuing the order distributing the estate, the court shall issue an order
5 determining the death tax due, if any. If real property has been adjudged to escheat
6 to the state under s. 852.01 (3) the probate court which made the adjudication may
7 adjudge at any time before title has been transferred from the state that the title
8 shall be transferred to the proper owners under this subsection.

9 **SECTION 193.** 893.95 of the statutes is amended to read:

10 **893.95 Unclaimed property; civil remedies.** Any civil action to enforce ch.
11 177 is subject to the limitations under s. 177.29 (2) 177.0610.

12 (END)