

Julie

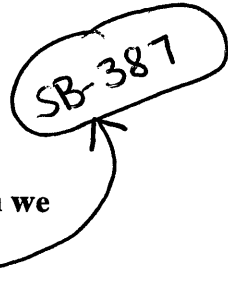
HEARING PROCEDURE 2-16-2000

1. **Call to Order** "The Senate Committee on Privacy, Electronic Commerce and Financial Institutions will come to order,. Will members please take your seats."
2. **Call the roll:** " We will dispense with the calling of the roll and the clerk will note presence of Senators as they arrive." Julie will fill in roll sheet as Senators arrive.
3. **Welcome and Announce Purpose of Hearing**

"Welcome members of the public, legislators, and staff."

"The purpose of this hearing is to hold a public hearing and executive session. We will hear testimony on AB267, AB 431 and LRB3675. Then we may hold an executive session."
4. **Operation of the Hearing** "If you wish to testify to the Committee, please fill out a hearing slip and return it to the Senate messenger." Point out messenger "If you wish to simply to register fill out the slip and give it to the messenger as well."
5. **Order of speakers** "To the extent possible I will alternate between speakers with different points of view on the subjects before us."
6. **Begin the hearing:**
 - a. Julie will sort slips by topic,
 - b. Jon calls the first speaker, call Legislators first
 - c. When speaker is through ask if committee members have questions
 - d. When last slip is given, let everyone know this is the last slip, anyone who wishes to speak on the bill should fill out a slip right now.

SB-387



Senate

Committee Report

The committee on Privacy, Electronic Commerce and Financial Institutions, reports and recommends:

Assembly Bill 431

Relating to: confidentiality of documents reviewed by notary publics.

By Representative Staskunas, Schneider, Huebsch, Kelso, Goetsch, Stone, Pettis, Seratti, Ryba, Ladwig, M. Lehman, Musser, J. Lehman, F. Lasee, Sykora, Coggs, Nass, Meyerhofer, Hasenohrl, Kedzie; cosponsored by Senator Roessler, Rude, Huelsman, Farrow.

CONCURRENCE RECOMMENDED, Ayes 5, Noes 0, Absent 0

Ayes: (5) Senators Erpenbach, Jauch, Plache, Rude and Fitzgerald.

Noes: (0) None.

Absent: (0) None.

Senate Bill 387

Relating to: the sales tax on sales of lists.

By Senator Erpenbach; cosponsored by Representative Miller, Staskunas, J. Lehman, Boyle.

PASSAGE RECOMMENDED, Ayes 4, Noes 1, Absent 0

Ayes: (4) Senators Erpenbach, Jauch, Plache and Rude.

Noes: (1) Senator Fitzgerald.

Absent: (0) None.

Senator Jon Erpenbach
Chair

Senate

Record of Committee Proceedings

Committee on Privacy, Electronic Commerce and Financial Institutions

Senate Bill 387

Relating to: the sales tax on sales of lists.

By Senator Erpenbach; cosponsored by Representative Miller, Staskunas, J. Lehman, Boyle.

February 16, 2000 Referred to committee on Privacy, Electronic Commerce and Financial Institutions.

February 16, 2000 **PUBLIC HEARING HELD**

Present: (4) Senators Erpenbach, Jauch, Rude and Fitzgerald.

Absent: (1) Senator Plache.

Appearances for

- Senator Jon Erpenbach

Appearances against

- None.

Appearances for Information Only

- None.

Registrations for

- None.

Registrations against

- James Buchen, Wisconsin Manufacturers and Commerce
- Eric J. Petersen, Dehart & Darr

February 17, 2000 **EXECUTIVE SESSION(polling)**

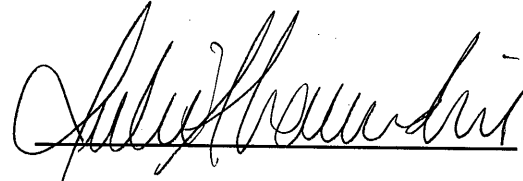
Senators Erpenbach, Jauch, Plache, Rude and Fitzgerald.

Moved by Senator Erpenbach that **Senate Bill 387** be recommended for passage.

Ayes: (4) Senators Erpenbach, Jauch, Plache and Rude.

Noes: (1) Senator Fitzgerald.
Absent: (0) None.

PASSAGE RECOMMENDED, Ayes 4, Noes 1, Absent 0

A handwritten signature in cursive script, appearing to read "Julie K. ...", written over a horizontal line.

Committee Clerk

JAN 3
SB 347

[REDACTED]

LRB 3675 expands the definition of "a data list" in current tangible personal property laws. [REDACTED]

[REDACTED] create a way for Wisconsin information.

Outdated and rarely enforced, the definition that exists now covers only g [REDACTED]

Under this bill, a data list that contains information about individuals, in [REDACTED] uses, that is [REDACTED]

[REDACTED]

[REDACTED] includes: a list that is written or printed, stored in readable form, stored or transferred in an intangible form or sold by the Department of Transportation.

I have been told marketers pay upwards of \$50 to \$100 per name. The sales tax revenue on an initiative like this could be quite high.

The bigger issue is::::: There is little we can do to stop the flow of our personal information, this is one way to get a little control back.

[REDACTED] citizens to benefit from the [REDACTED] that use for this revenue would be to fund the Office of Consumer Privacy Advocate.



1999 BILL

SB 387

- 1 AN ACT to amend 77.51 (20) and 77.54 (32); and to create 77.51 (2m) of the
2 statutes; relating to: the sales tax on sales of lists.

Analysis by the Legislative Reference Bureau

Under current law, a sales tax is imposed on the sale of tangible personal property. Under current law, the definition of tangible personal property, for sales tax purposes, does not specify that a list of names and addresses is tangible personal property. The tax appeals commission has determined that a list of such information that is stored in machine-readable form is not tangible personal property and, therefore, the sale of that list in machine-readable form is not subject to the sales tax. See *A-K Corporation and Profile Publishing Co. v. Wisconsin Dept. of Revenue* (January 15, 1987). Courts in other states have also limited the application of a sales tax with regards to the sales of a list. For example, the Minnesota Supreme Court has held that a written or printed list of names and addresses is not tangible personal property and, therefore, not subject to a sales tax, unless the state law specifies that a written or printed list of names and addresses is tangible personal property for sales tax purposes. See *Fingerhut Products Co. et al. v. Commissioner of Revenue*, 258 N.W. 2d 606 (1977).

Under this bill, a data list that contains information about individuals, including names and addresses, and that is used to circulate material or used for commercial purposes is tangible personal property and, therefore, the sale of a data list is subject to the sales tax. Under the bill, for sales tax purposes, a data list includes a written or printed list of names and addresses; a list that is stored in a machine-readable form; a list that is stored or transferred in an intangible form; and

BILL

a list of information about individuals that is sold by the department of transportation.

For further information see the *state and local* 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:

1 **SECTION 1.** 77.51 (2m) of the statutes is created to read:

2 **77.51 (2m)** "Data list" means a list of information about individuals that is used
3 to circulate materials or used for commercial purposes, including a written or printed
4 list of names or addresses or both, a list that is stored in a machine-readable form,
5 a list that is stored or transferred in an intangible form, and a registration list as
6 provided under s. 341.17 (6).

7 **SECTION 2.** 77.51 (20) of the statutes is amended to read:

8 **77.51 (20)** "Tangible personal property" means all tangible personal property
9 of every kind and description and includes electricity, natural gas, steam and water
10 and also leased property affixed to realty if the lessor has the right to remove the
11 property upon breach or termination of the lease agreement, unless the lessor of the
12 property is also the lessor of the realty to which the property is affixed. "Tangible
13 personal property" also includes a data list, coins and stamps of the United States
14 sold or traded as collectors' items above their face value and computer programs
15 except custom computer programs.

16 **SECTION 3.** 77.54 (32) of the statutes is amended to read:

17 **77.54 (32)** The gross receipts from charges, including charges for a search,
18 imposed by an authority, as defined in s. 19.32 (1), for copies of a public record that
19 a person may examine and use under s. 16.61 (12) or for copies of a record under s.
20 19.35 (1), except this subsection does not apply to the sale of a data list.

