
Wisconsin Legislative Council

ACT MEMO



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March 9, 2020

2019 Wisconsin Act 161 [2019 Senate Bill 368]

Money Laundering

2019 Wisconsin Act 161 creates a state crime of money laundering. Under prior law, Wisconsin did not have a specific crime prohibiting money laundering. Instead, actions that may have constituted money laundering under federal criminal law were generally prosecuted under the state crimes of theft or receiving stolen property.

PROHIBITED CONDUCT

The new crime of money laundering prohibits a person from doing any of the following acts:

- Knowingly receiving or acquiring proceeds that the person knows are derived from unlawful activity or conducting a transaction involving proceeds that the person knows are derived from unlawful activity.
- Knowingly directing, planning, organizing, initiating, financing, managing, supervising, or facilitating the transportation or transfer of proceeds that the person knows are derived from unlawful activity.
- Knowingly giving, selling, transferring, trading, investing, concealing, transporting, or otherwise making available proceeds that the person knows are intended to be used for the purpose of committing or furthering the commission of unlawful activity.
- Knowingly conducting a transaction that involves proceeds that the person knows are derived from unlawful activity that is designed in whole or in part to either avoid a transaction reporting requirement under federal law or to conceal or disguise the nature, location, source, ownership, or control of the proceeds obtained through unlawful activity.

The act defines “transaction” as used under s. 946.79, Stats., a crime prohibiting false statements to financial institutions, and expands that definition to include additional acts. Specifically, as modified by the act, “transaction” means the acquisition, disposition, or transfer of property or anything of value by any means, including any of the following:

- The purchase, sale, trade, transfer, transmission, exchange, loan, pledge, investment, delivery, deposit, or withdrawal of a monetary instrument, credit card, gift card, gift certificate, financial transaction card, or similar monetary device.
- The use of a safe deposit box.
- The extension of credit.
- The transfer of property or anything of value between accounts.
- The movement of funds by wire transfer or any other electronic means.

The act specifies that a person's knowledge that the proceeds are derived from unlawful activity does not require that the person know of the specific nature of the unlawful activity involved. In addition, the act authorizes prosecution of multiple violations as a single crime if the violations were pursuant to a single intent and design.

PENALTIES

Under the act, the penalty for the crime of money laundering ranges from a Class A misdemeanor to a Class F felony, depending on the total value of the proceeds involved in the transaction, as follows:

- If the total value is \$2,500 or less, a Class A misdemeanor.
- If the total value is greater than \$2,500 but no more than \$5,000, a Class I felony.
- If the total value is greater than \$5,000 but no more than \$10,000, a Class H felony.
- If the total value is greater than \$10,000 but no more than \$100,000, a Class G felony.
- If the total value is greater than \$100,000, a Class F felony.

FINANCIAL INSTITUTIONS

The act grants immunity from criminal liability for the crime of money laundering to financial institutions that comply with all applicable money laundering reporting requirements under federal law.

Effective date: March 5, 2020

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