

SECTION 2. This act shall take effect upon passage and publication.

Approved June 16, 1931.

No. 299, S.]

[Published June 18, 1931.

CHAPTER 270.

AN ACT to create section 289.025 of the statutes, relating to embezzlement of moneys paid on construction work.

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

SECTION 1. A new section is added to the statutes to read: 289.025 All moneys which are the proceeds of any mortgage on real estate or leasehold, contract or other interest therein, paid to any principal contractor or any subcontractor who has performed work and labor or furnished any materials on any construction work for improvements upon the mortgaged premises, as well as all moneys paid by any owner to any such principal contractor or to any such subcontractor who has performed work and labor, or furnished any materials for improvements on any real estate, shall be and constitute a trust fund in the hands of any such contractor or subcontractor to the amount of all claims due and to become due or owing from such contractor or subcontractor for work, labor and materials to persons otherwise entitled to a lien under chapter 289 of the statutes against such owner and his property, until all such claims shall have been paid; and the using of any of such moneys by any such contractor or subcontractor for any purpose other than the payment of such claims for work, labor and materials, until all such claims, except those which are the subject of a bona fide dispute, shall have been paid in full, or pro rata in cases of a deficiency, is hereby declared to be an embezzlement of any moneys so misappropriated, and shall be punishable as provided by law in cases of embezzlement, upon the complaint of any person aggrieved by such misappropriation.

SECTION 2. This act shall take effect sixty days after passage and publication.

Approved June 16, 1931.