

State of Wisconsin



1995 Assembly Bill 782

Date of enactment: **May 28, 1996**
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1995 WISCONSIN ACT 364

AN ACT *to repeal* 553.03 (1) and (8m), 553.03 (10), 553.21 (2), 553.26 (intro.), 553.26 (5) and (6), 553.26 (7), 553.26 (8) to (17), 553.26 (18), 553.26 (19), 553.26 (20), 553.26 (21), 553.26 (22), 553.27 (1), 553.27 (3), 553.27 (5), 553.27 (6), 553.27 (7), 553.27 (8), 553.27 (9), 553.27 (11), 553.28 (1) (c), 553.28 (1) (f), (g) and (h), 553.29, 553.30, 553.53, 553.58 (3), 553.72 (2), 553.74 (2) and 553.76 (2); *to renumber and amend* 553.21 (1), 553.74 (1) and 553.76 (1); *to amend* 553.23, 553.235 (1) (intro.), 553.235 (2) (a), 553.24 (1), 553.24 (2), 553.24 (4) (intro.), 553.24 (6), 553.25, 553.26 (title), 553.27 (title), 553.27 (2), 553.27 (4), 553.27 (10), 553.28 (title), 553.28 (1) (intro.), 553.28 (1) (d), 553.28 (1) (e), 553.28 (2), 553.41 (3), 553.41 (4), 553.41 (5), 553.51 (title), 553.51 (1), 553.51 (2), 553.51 (4), 553.52 (1), 553.52 (2), 553.54 (2) (a), 553.56 (1), 553.58 (1), 553.59, 553.60, 553.605 (1) (a) (intro.), 553.72 (1) and 553.75 (3); *to repeal and recreate* 553.22, 553.26 (1) to (3), 553.26 (4), 553.28 (1) (a) and 553.28 (1) (b); and *to create* 553.03 (8g) and 553.26 (4m) of the statutes; **relating to:** the regulation of sales of franchises and granting rule-making authority.

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

SECTION 1. 553.03 (1) and (8m) of the statutes are repealed.

SECTION 2. 553.03 (8g) of the statutes is created to read:

553.03 (8g) "Notification" means notification under s. 553.26.

SECTION 3. 553.03 (10) of the statutes is repealed.

SECTION 4. 553.21 (1) of the statutes is renumbered 553.21 and amended to read:

553.21 Registration requirement. No person may sell or offer in this state any franchise unless the offer of the franchise has been registered under this chapter or is exempted under s. ~~553.22~~, 553.23, 553.235 or 553.25.

SECTION 5. 553.21 (2) of the statutes is repealed.

SECTION 6. 553.22 of the statutes, as affected by 1995 Wisconsin Act 27, is repealed and recreated to read:

553.22 Excluded franchises. This chapter does not apply to the offer or sale of the following franchises:

(1) Any relationship if the person described in the offer as a franchisee, or any of the current directors or executive officers of that person, has been in the type of business of the franchise relationship for more than 2 years and the parties anticipated, or should have anticipated, at the time the agreement establishing the franchise relationship was reached, that the sales arising from the relationship would account for no more than 20% of the gross sales revenue of the franchisee for a period of at least one year after the franchisee begins selling the goods or services involved in the franchise.

(2) An association of producers of agricultural products authorized by 7 USC 291.

(3) An organization that is operated on a cooperative basis by and for independent retailers and that sells goods at wholesale to, or furnishes services primarily to, its members.

* Section 991.11, WISCONSIN STATUTES 1993-94: Effective date of acts. "Every act and every portion of an act enacted by the legislature over the governor's partial veto which does not expressly prescribe the time when it takes effect shall take effect on the day after its date of publication as designated" by the secretary of state [the date of publication may not be more than 10 working days after the date of enactment].

SECTION 7. 553.23 of the statutes is amended to read:

553.23 Private franchisee and subfranchisor sales exempted. The offer of sale of a franchise by a franchisee for the franchisee's own account or and the offer of sale of the entire area franchise owned by a subfranchisor for the subfranchisor's own account is are exempted from s. 553.21 if the sale is not effected by or through a franchisor. A sale is not effected by or through a franchisor merely because a franchisor has a right to approve or disapprove a different franchisee or because a franchisor imposes or has the right to impose a fee or charge to reimburse the franchisor for reasonable and actual expenses incurred in connection with the sale.

SECTION 8. 553.235 (1) (intro.) of the statutes is amended to read:

553.235 (1) **CONDITIONS OF EXEMPTION.** (intro.) Except as provided in sub. (2), a registration exemption is available for the offer of sale of a franchise that meets all of the following conditions:

SECTION 9. 553.235 (2) (a) of the statutes is amended to read:

553.235 (2) (a) The exemption under sub. (1) is not available for the offer of sale of a franchise in which the franchisee would be a motor vehicle dealer or a motor vehicle distributor or wholesaler, as defined in s. 218.01 (1).

SECTION 10. 553.24 (1) of the statutes, as affected by 1995 Wisconsin Act 27, is amended to read:

553.24 (1) The division may by order deny or revoke any exemption under s. ~~553.22~~, 553.23, 553.235 or 553.25 with respect to the offer of sale of a franchise for any of the grounds specified in s. 553.28 (1).

SECTION 11. 553.24 (2) of the statutes, as affected by 1995 Wisconsin Act 27, is amended to read:

553.24 (2) If the public interest and the protection of investors so require, the division may, by order, summarily deny or revoke any exemption under s. ~~553.22~~, 553.23, 553.235 or 553.25 with respect to the offer of sale of a franchise.

SECTION 12. 553.24 (4) (intro.) of the statutes, as affected by 1995 Wisconsin Act 27, is amended to read:

553.24 (4) (intro.) A person who offers or sells a franchise pursuant to an exemption under s. ~~553.22~~, 553.23, 553.235 or 553.25 after the exemption is denied or revoked by an order of the division does not violate s. 553.21 if:

SECTION 13. 553.24 (6) of the statutes, as affected by 1995 Wisconsin Act 27, is amended to read:

553.24 (6) Within 10 days after the filing date of the ~~information required under s. 553.22~~ or an application for an exemption under s. 553.25, the division may require that additional information be filed if the division determines that the information is reasonably necessary to establish an exemption under s. ~~553.22~~ or 553.25. If the division requires additional information, the exemption is not effective until 10 days after the additional informa-

tion is filed with the division, unless a shorter period is permitted by the division.

SECTION 14. 553.25 of the statutes, as affected by 1995 Wisconsin Act 27, is amended to read:

553.25 Exemption by division. The division may by rule or order exempt from registration under s. 553.21 any offer of sale of a franchise if registration is not necessary or appropriate in the public interest or for the protection of investors.

SECTION 15. 553.26 (title) of the statutes is amended to read:

553.26 (title) Application for registration Registration by notification.

SECTION 16. 553.26 (intro.) of the statutes is repealed.

SECTION 17. 553.26 (1) to (3) of the statutes are repealed and recreated to read:

553.26 (1) A person who wishes to sell a franchise in this state that is not excluded under s. 553.22 and that is not exempt from registration under s. 553.23, 553.235 or 553.25 shall register the franchise by notification to the division. The notification shall be on a notice form prescribed by the division, which need include only the name of the franchisor or subfranchisor, the name or names under which the franchisor or subfranchisor intends to do business and the franchisor's or subfranchisor's principal business address. Nothing other than a copy of the offering circular required under s. 553.27(4), the consent to service of process required by s. 553.27 (10), if it is not already on file with the division, and the registration fee required under s. 553.72 (1) need accompany the notification.

(2) A franchisor may register only one franchise system on each notification.

(3) Registration is effective upon receipt of the notification by the division. The notice shall be effective for one year from the date on which the division receives it.

SECTION 18. 553.26 (4) of the statutes, as affected by 1995 Wisconsin Act 27, is repealed and recreated to read:

553.26 (4) Upon receipt of notification, the division shall endorse upon the notice form "received" and the date and shall return a copy to the person who filed the notice form.

SECTION 19. 553.26 (4m) of the statutes is created to read:

553.26 (4m) A person who has complied with sub. (1) need not file with the division, during the period when the registration is effective, any more information, including any amendments to the offering circular. The division may not require changes in the offering circular filed by the franchisor, subject to the division's authority to suspend or revoke a registration for any of the causes under s. 553.28.

SECTION 20. 553.26 (5) and (6) of the statutes are repealed.

SECTION 21. 553.26 (7) of the statutes, as affected by 1995 Wisconsin Act 27, is repealed.

SECTION 22. 553.26 (8) to (17) of the statutes are repealed.

SECTION 23. 553.26 (18) of the statutes, as affected by 1995 Wisconsin Act 27, is repealed.

SECTION 24. 553.26 (19) of the statutes is repealed.

SECTION 25. 553.26 (20) of the statutes, as affected by 1995 Wisconsin Act 27, is repealed.

SECTION 26. 553.26 (21) of the statutes is repealed.

SECTION 27. 553.26 (22) of the statutes is repealed.

SECTION 28. 553.27 (title) of the statutes is amended to read:

553.27 (title) General registration provisions; offering circular; consent to service of process.

SECTION 29. 553.27 (1) of the statutes is repealed.

SECTION 29t. 553.27 (2) of the statutes, as affected by 1995 Wisconsin Act 27, is amended to read:

553.27 (2) If the division finds that the applicant has failed to demonstrate that adequate financial arrangements have been made to fulfill obligations to provide real estate, improvements, equipment, inventory, training or other items included in the offering and if the franchisee so requests, the division may by rule or order require the escrow of franchise fees and other funds paid by the franchisee or subfranchisor until no later than the time of opening of the franchise business, or, at the option of the franchisor, the furnishing of a surety bond as provided by rule of the division, if the division finds that such requirement is necessary and appropriate to protect prospective franchisees or subfranchisors.

SECTION 30. 553.27 (3) of the statutes, as affected by 1995 Wisconsin Act 27, is repealed.

SECTION 31. 553.27 (4) of the statutes, as affected by 1995 Wisconsin Act 27, is amended to read:

553.27 (4) No franchise subject to registration under this chapter may be sold in this state unless a copy of the an offering circular in the form prescribed by rule of the division is provided to the prospective franchisee at least 10 business days prior to the execution by the prospective franchisee of any binding franchise or other agreement or at least 10 business days prior to the receipt of any consideration, whichever first occurs. The offering circular may be in a form that the division requires by rule, in a form permitted under 16 CFR 436 or in a form permitted by a successor to that regulation.

SECTION 32. 553.27 (5) of the statutes is repealed.

SECTION 33. 553.27 (6) of the statutes, as affected by 1995 Wisconsin Act 27, is repealed.

SECTION 34. 553.27 (7) of the statutes, as affected by 1995 Wisconsin Act 27, is repealed.

SECTION 35. 553.27 (8) of the statutes, as affected by 1995 Wisconsin Act 27, is repealed.

SECTION 36. 553.27 (9) of the statutes, as affected by 1995 Wisconsin Act 27, is repealed.

SECTION 37. 553.27 (10) of the statutes, as affected by 1995 Wisconsin Act 27, is amended to read:

553.27 (10) Every applicant for registration of an offer to sell franchises under this chapter franchisor who files a notification shall file with the division, in such the form as that the division by rule prescribes, an irrevocable consent appointing the division to be the applicant's attorney to receive service of any lawful process in any civil action against the applicant or the applicant's successor, executor or administrator, ~~which that~~ arises under this chapter or any rule or order under this chapter after the consent has been filed, with the same force and validity as if served personally on the person filing the consent. A person who has filed a consent in connection with a previous registration or exemption under this chapter need not file another. Service may be made by leaving a copy of the process in the office of the division but it is not effective unless the plaintiff, who may be the division in an action instituted by the division, ~~forthwith~~ sends notice of the service and a copy of the process by registered or certified mail to the defendant or respondent at his or her last address on file with the division, and the plaintiff's affidavit of compliance with this subsection is filed in the case on or before the return day of the process, if any, or within ~~such further~~ the time as that the court allows.

SECTION 38. 553.27 (11) of the statutes, as affected by 1995 Wisconsin Act 27, is repealed.

SECTION 39. 553.28 (title) of the statutes is amended to read:

553.28 (title) Denial, suspension or revocation of registrations or exemptions.

SECTION 40. 553.28 (1) (intro.) of the statutes, as affected by 1995 Wisconsin Act 27, is amended to read:

553.28 (1) (intro.) The division may issue an order ~~denying effectiveness to, or postponing, suspending or revoking the effectiveness of, any registration statement~~ if the division finds any of the following:

SECTION 41e. 553.28 (1) (a) of the statutes, as affected by 1995 Wisconsin Act 27, is repealed and recreated to read:

553.28 (1) (a) That the franchisor or any person acting on behalf of the franchisor failed to provide an offering circular to a person purchasing a franchise in this state within the time period prescribed in s. 553.27 (4).

SECTION 41m. 553.28 (1) (b) of the statutes is repealed and recreated to read:

553.28 (1) (b) That any person in this state was sold a franchise by means of any written or oral communication that contained an untrue statement of a material fact, or that omitted to state a material fact necessary in order to make statements made, in the light of the circumstances under which they were made, not misleading.

SECTION 41s. 553.28 (1) (c) of the statutes is repealed.

SECTION 42. 553.28 (1) (d) of the statutes is amended to read:

553.28 (1) (d) That any person identified in an application for registration the franchisor's offering circular has been convicted of an offense specified under s. 553.26 (5) that is required to be disclosed in the offering circular, or is subject to an order, or has had a civil judgment entered against him or her as described in s. 553.26 (5) that is required to be disclosed in the offering circular, and the involvement of the person in the same sale or management of the franchise creates an unreasonable risk to prospective franchisees.

SECTION 43. 553.28 (1) (e) of the statutes, as affected by 1995 Wisconsin Act 27, is amended to read:

553.28 (1) (e) That the applicant or registrant franchisor has failed to pay the proper filing fee, but the division may enter only a denial order under this paragraph and the division shall vacate any such order when the deficiency has been corrected.

SECTION 44. 553.28 (1) (f), (g) and (h) of the statutes are repealed.

SECTION 45. 553.28 (2) of the statutes, as affected by 1995 Wisconsin Act 27, is amended to read:

553.28 (2) If the public interest and the protection of investors so require, the division may by order summarily deny, postpone, suspend or revoke the effectiveness of the registration.

SECTION 46. 553.29 of the statutes, as affected by 1995 Wisconsin Act 27, is repealed.

SECTION 47. 553.30 of the statutes, as affected by 1995 Wisconsin Act 27, is repealed.

SECTION 50. 553.41 (3) of the statutes is amended to read:

553.41 (3) No person may offer, purchase or sell a franchise in this state by means of any written or oral communication not included in sub. (1) which (4) that includes an untrue statement of a material fact or omits to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading.

SECTION 51. 553.41 (4) of the statutes is amended to read:

553.41 (4) No person may make any untrue statement of a material fact in any statement required to be disclosed in writing in a timely manner pursuant to s. 553.22 or under s. 553.27 or omit to state in any such statement any material fact which that is required to be stated there in in the statement.

SECTION 52. 553.41 (5) of the statutes, as affected by 1995 Wisconsin Act 27, is amended to read:

553.41 (5) No person may wilfully represent to any prospective purchaser or seller of a franchise franchisee in this state that the filing of a franchise registration application or the registration of a franchise constitutes a finding by the division that any document filed under this chapter is true, complete, and not misleading, or in rela-

tion to an exemption or exception, that the division has passed in any way upon the merits of any franchise or wilfully represent in a similar manner that a franchise is registered or exempted when in fact, such that is not the case.

SECTION 53. 553.51 (title) of the statutes is amended to read:

553.51 (title) Civil liability; offer or sale in violation.

SECTION 54. 553.51 (1) of the statutes is amended to read:

553.51 (1) Any person who offers, purchases or sells a franchise in violation of s. 553.21 or 553.41 (1), (2), (4) or (5) 553.27 (4), if the violation was material in the franchisee's or subfranchisor's decision to purchase the franchise, shall be liable to the franchisee or subfranchisor, who may bring an action for rescission, unless, in the case of a violation of s. 553.41 (1), (2), (4) or (5), the defendant proves that the plaintiff knew the facts concerning the untruth or omission, or that the defendant exercised reasonable care and did not know, or, if the defendant had exercised reasonable care, would not have known, of the untruth or omission.

SECTION 55. 553.51 (2) of the statutes is amended to read:

553.51 (2) Any person who violates s. 553.41 (3) shall be, (4) or (5) is liable for damages to any person who does not knowing know or having have cause to believe that such the statement or representation was false or misleading and who, while relying upon such the statement, shall have sold or representation, purchased a franchise, for damages, unless the defendant proves that the plaintiff knew the facts concerning the untruth or omission or that the defendant exercised reasonable care and did not know, or if the defendant had exercised reasonable care would not have known, of the untruth or omission.

SECTION 56. 553.51 (4) of the statutes, as affected by 1995 Wisconsin Act 27, is amended to read:

553.51 (4) No action may be maintained against any person to enforce any liability under this section unless it is brought before the expiration of 3 years after the act or transaction constituting the violation upon which the liability is based or 90 days after delivery to the franchisee of a written notice disclosing from or on behalf of that person that discloses any violation of s. 553.21 or 553.41, which notice shall be approved as to form by this chapter and that is filed with the division, whichever first expires.

SECTION 57. 553.52 (1) of the statutes is amended to read:

553.52 (1) Any person who wilfully violates any provision of this chapter except s. 553.41 (1), or any rule under this chapter, (2) to (5) or any order of which the person has notice, or who violates s. 553.41 (1) knowing or having reasonable cause to believe either that the statement made was false or misleading in any material respect or that the failure to report a material event under s. 553.31 (1) was false or misleading in any material respect, may

be fined not more than \$5,000 or imprisoned ~~for~~ not more than 5 years or both. Each of the acts specified ~~shall constitute~~ is a separate offense, and a prosecution or conviction for any one of those offenses ~~shall does~~ not bar prosecution or conviction for any other offense.

SECTION 58. 553.52 (2) of the statutes is amended to read:

553.52 (2) Any person who employs, directly or indirectly, any device, scheme or artifice to defraud in connection with the offer or sale of any franchise or engages, directly or indirectly, in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person in connection with the offer, ~~purchase or sale of any franchise shall be fined not more than \$5,000 or imprisoned for not more than 5 years, or both.~~

SECTION 59. 553.53 of the statutes, as affected by 1995 Wisconsin Act 27, is repealed.

SECTION 59m. 553.54 (2) (a) of the statutes is amended to read:

553.54 (2) (a) The court may, prior to the entry of final judgment, issue such orders or judgments as are necessary to restore to any person any pecuniary loss suffered because of the acts or practices involved in the action if proof of the pecuniary loss is submitted to the satisfaction of the court. Orders or judgments under this paragraph shall not provide restoration of any pecuniary loss to persons for whom recovery is sought where the defendant in the action establishes that the persons were in possession of knowledge which would defeat recovery by them in a private civil action under s. 553.51 (1) ~~or~~ (2). Persons liable for pecuniary losses under this paragraph are the same as provided under s. 553.51 (3).

SECTION 60. 553.56 (1) of the statutes, as affected by 1995 Wisconsin Act 27, is amended to read:

553.56 (1) Except as provided by sub. (2), no order may be entered by the division under s. 553.24, ~~or~~ 553.28 ~~or~~ 553.53 (2) without appropriate prior notice to all interested parties, opportunity for hearing and written findings of fact and conclusions of law.

SECTION 61. 553.58 (1) of the statutes, as affected by 1995 Wisconsin Act 27, is amended to read:

553.58 (1) The division may make, amend and rescind any rules, forms and orders that are necessary to carry out this chapter, including rules and forms governing ~~registration statements, applications~~ registrations and ~~reports,~~ defining any terms, whether or not used in this chapter, insofar as the definitions are not inconsistent with this chapter. The division may define by rule false, fraudulent or deceptive practices in the offer and sale of franchises. ~~The division may also adopt rules with regard to advertising utilized in connection with exempt sales under s. 553.22, 553.23 or 553.235 and which need not be filed under s. 553.53.~~ For the purpose of rules and forms, the division may classify franchises, persons and matters within the division's jurisdiction, and may prescribe different requirements for different classes. Rules

shall be made and published and all administrative procedures, including hearings under s. 553.56 and issuance of orders, shall be in accordance with ch. 227.

SECTION 62. 553.58 (3) of the statutes, as affected by 1995 Wisconsin Act 27, is repealed.

SECTION 63. 553.59 of the statutes is amended to read:

553.59 Scope of chapter. (1) The provisions of this chapter concerning sales and offers to sell apply when a sale is made in this state or when an offer to sell is made in this state or when an offer to purchase is made and accepted in this state. ~~The provisions concerning purchases and offers to purchase apply when a purchase or offer to purchase is made in this state or an offer to sell is made and or accepted in this state, except that s. 553.21 does not apply to an offer to sell that is not directed to, or received by, the offeree in this state.~~

(2) For the purpose of this section, an offer to sell ~~or to purchase is made in this state, whether or not either party is then present in this state, when if~~ the offer either originates from in this state or is directed by the offeror to this state and received by the offeree in this state, ~~but for the purpose of s. 553.21, an offer to sell which is not directed to or received by the offeree in this state is not made in this state.~~

(3) For the purpose of this section, an offer to ~~purchase or to sell is accepted in this state when if~~ acceptance is communicated to the offeror in from this state, ~~and has not previously been communicated to the offeror, orally or in writing, outside this state; and acceptance is communicated to the offeror in this state, whether or not either party is then present in this state, when the offeree directs it to the offeror in this state reasonably believing the offeror to be in this state and it is received by the offeror in this state.~~

(4) An offer to sell ~~or to purchase is not made in this state when if~~ the publisher circulates or there is circulated on the publisher's behalf in this state any bona fide newspaper or other publication of general, regular and paid circulation ~~which that~~ is not published in this state, or if a radio or television program originating that originates outside this state is received in this state.

SECTION 64. 553.60 of the statutes, as affected by 1995 Wisconsin Act 27, is amended to read:

553.60 Miscellaneous powers. The division may by order summarily prohibit offers or sales of a franchise subject to s. 553.21 (1) ~~which that~~ are being, or have been, made in this state in violation of this chapter, unless the offer or sale of the franchise is registered or exempted from registration under this chapter.

SECTION 65. 553.605 (1) (a) (intro.) of the statutes, as affected by 1995 Wisconsin Act 27, is amended to read:

553.605 (1) (a) (intro.) The division or any officer designated by the division ~~may~~ impose an administrative assessment in the amount provided in par. (b) on any per-

son who is subject to an order that is issued under s. 553.24, 553.28, ~~553.53~~, 553.58 (1) and (2) or 553.60 in any of the following circumstances:

SECTION 66. 553.72 (1) of the statutes is amended to read:

553.72 (1) The fee for filing an application for a notice for the one-year effectiveness of the registration of the offer of franchises a franchise under s. 553.26 is \$400.

SECTION 67. 553.72 (2) of the statutes, as affected by 1995 Wisconsin Act 27, is repealed.

SECTION 68. 553.74 (1) of the statutes, as affected by 1995 Wisconsin Act 27, is renumbered 553.74 and amended to read:

553.74 (title) Open records; publication. All applications, reports notifications and other papers and documents filed with the division under this chapter shall be open to public inspection in accordance with rules adopted by the division. The division may publish any information filed with or obtained by the division, if, in the judgment of the division, such action is in the public interest. ~~No provision of this chapter authorizes the division or any of the division's employees to disclose any information withheld from public inspection except among themselves or when necessary or appropriate in a proceeding or investigation under this chapter or to other federal or state regulatory agencies. No provision of this chapter either creates or derogates from any privilege which exists at common law or otherwise when documentary or other evidence is sought under a subpoena directed to the division or any of the division's employees.~~

SECTION 69. 553.74 (2) of the statutes is repealed.

SECTION 70. 553.75 (3) of the statutes, as affected by 1995 Wisconsin Act 27, is amended to read:

553.75 (3) The information contained in or filed with any ~~registration statement, application or report~~ notification shall be made available to the public in accordance with rules adopted by the division.

SECTION 71. 553.76 (1) of the statutes is renumbered 553.76 and amended to read:

553.76 (title) Waivers of compliance void. ~~Except as provided in sub. (2), any~~ Any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this chapter or any rule or order ~~hereunder~~ under this chapter is void. This section does not affect the settlement of disputes, claims or civil lawsuits arising or brought under this chapter.

SECTION 72. 553.76 (2) of the statutes is repealed.

SECTION 73. Nonstatutory provisions.

(1) TRANSITION. A franchisor who has an effective registration or exemption on July 1, 1996, is considered to have filed the notification under section 553.26 of the statutes, as affected by this act, on the most recent effective date of that registration or exemption. That registration or exemption is valid for one year after its most recent effective date.

SECTION 74. Effective date.

(1) This act takes effect on July 1, 1996.