



State of Wisconsin  
2017 - 2018 LEGISLATURE

LRBs0268/1  
MJ/TD/AG/KP/MP:all

**ASSEMBLY SUBSTITUTE AMENDMENT 1,  
TO ASSEMBLY BILL 773**

January 29, 2018 - Offered by Representatives TUSLER and HORLACHER.

1     **AN ACT** *to renumber* 804.01 (2) (e) 1., 893.93 (1) (a) and 893.93 (1) (b); *to*  
2     *renumber and amend* 804.09 (2) (a); *to amend* 138.04, 218.0125 (7),  
3     218.0126, 628.46 (1), 801.01 (2), 804.01 (1), 804.01 (2) (a), 804.01 (2) (e) 2.,  
4     804.01 (2) (e) 3., 804.01 (3) (a) 2., 804.01 (4), 804.05 (1), 804.06 (1) (a), 804.08 (1)  
5     (a), 804.09 (2) (b) 1., 804.12 (1) (a) and 893.53; and *to create* 100.56, 177.30 (6),  
6     804.01 (2) (bg), 804.01 (2) (e) 1g., 804.01 (2m), 804.05 (1m), 804.06 (1m), 804.08  
7     (1) (am) and 893.93 (1m) (intro.) of the statutes; **relating to:** discovery of  
8     information in court proceedings; consumer lawsuit lending; the statute of  
9     limitations for certain civil actions; agreements by the secretary of revenue to

1 allow third-party audits related to unclaimed property; interest rates for  
2 overdue insurance claims; and providing a penalty.

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### *Analysis by the Legislative Reference Bureau*

#### **DISCOVERY PROCEDURES**

This substitute amendment makes certain changes to discovery procedure in court proceedings. Under the substitute amendment, the court must limit the frequency or extent of discovery if it determines that the burden or expense of the proposed discovery outweighs its likely benefit or is not proportional to the claims and defenses at issue. The substitute amendment also limits discovery of electronically stored information that the party identifies as not reasonably accessible because of undue burden or cost. In addition, under the substitute amendment, parties' discovery is limited to ten depositions and 25 interrogatories, unless otherwise stipulated by the parties or ordered by a court.

The substitute amendment also creates a mandatory disclosure requirement that requires a party, without awaiting a discovery request, to disclose any agreement under which any person, other than an attorney who is permitted to charge a contingent fee for representing a party, has a right to receive compensation that is contingent on and sourced from any proceeds of the civil action.

#### **CONSUMER LAWSUIT LENDING**

This substitute amendment creates provisions governing consumer lawsuit lending transactions. Under the substitute amendment, a "consumer" is an individual who is or may become a plaintiff or claimant in a civil action or other proceeding (dispute). "Consumer lawsuit lending" means 1) providing money to a consumer, for the consumer to use for any purpose other than prosecuting the consumer's dispute, with repayment of the money conditioned on and derived from the consumer's proceeds of the dispute or 2) purchasing from a consumer a contingent right to receive a share of the potential proceeds of the consumer's dispute. In a consumer lawsuit lending transaction, all of the following apply: 1) the lender may charge interest at a rate of no more than 18 percent per year; 2) the consumer may prepay the transaction at any time and, upon prepayment in full, is entitled to a refund of unearned interest charged; 3) the transaction term may not exceed 36 months; 4) the lender may not charge fees of more than \$360 per year; 5) the lender may not pay commissions or referral fees to attorneys or health care providers; and 6) there must be a written agreement between the lender and the consumer that contains specified information, including the interest rate and the consumer's right to receive a refund of interest charged if prepayment is made in full, as well as provisions that disclose all one-time fees charged to the consumer, disclose the amount to be received by the consumer and the amount the consumer assigns to the lender, state that the consumer has a right to cancel the agreement within five days, state that the lender has no right to make decisions or otherwise participate in the dispute, and state that the lender may be paid only from the consumer's proceeds of the dispute and is not entitled to be repaid if there are no such proceeds.

A lender that violates any of these requirements or restrictions is subject to a civil forfeiture of not less than \$25 nor more than \$5,000, unless the lender establishes that the violation was the result of an unintentional good faith error and the lender had in place policies or procedures designed to achieve compliance. The Department of Agriculture, Trade and Consumer Protection has enforcement authority over violations.

The substitute amendment requires a consumer, upon commencing a lawsuit or within ten days after entering into a consumer lawsuit lending transaction, to provide the court and all parties to the lawsuit with a copy of the consumer lawsuit lending transaction agreement and any documents the consumer provided to the lender in connection with the agreement.

### **STATUTES OF LIMITATION**

Under current law, the statute of limitations for an action for injury to character is six years. Under the substitute amendment, the statute of limitations is shortened to three years.

Under current law, the statute of limitations for an action upon a liability created by statute when a different limitation is not prescribed by law and for an action for relief on the ground of fraud is six years. Under the substitute amendment, the statute of limitations is shortened to three years.

### **THIRD-PARTY TAX AUDITS**

This substitute amendment prohibits the secretary of revenue from entering into an agreement to allow a person to engage in an audit on a contingent fee basis of another person's documents or records in order to administer the unclaimed property law or to purchase information arising from the audit, except for information received by the federal government.

### **TIMELY PAYMENT OF CLAIMS**

This substitute amendment changes the interest rate that an insurer must pay for overdue insurance claims from 12 percent to 10 percent. Current law requires an insurer to promptly pay every insurance claim and, generally, a claim is considered overdue if the claim is not paid within 30 days after the insurer has written notice of the fact and amount of a covered loss.

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

- 1           **SECTION 1.** 100.56 of the statutes is created to read:
- 2           **100.56 Consumer lawsuit lending.** (1) In this section:
- 3           (a) "Consumer" means an individual who is or may become a plaintiff or
- 4           claimant or demandant in any dispute.

1 (b) “Consumer lawsuit lender” means any person that engages in consumer  
2 lawsuit lending.

3 (c) “Consumer lawsuit lending” means any of the following:

4 1. Providing money to any consumer, for the consumer to use for any purpose  
5 other than prosecuting the consumer’s dispute, with repayment of the money  
6 conditioned on and derived from the consumer’s proceeds of the dispute, regardless  
7 of whether these proceeds result from a judgment, settlement, or other source.

8 2. Purchasing from any consumer a contingent right to receive a share of the  
9 potential proceeds of the consumer’s dispute, regardless of whether these proceeds  
10 result from a judgment, settlement, or other source.

11 (d) “Dispute” means any of the following:

12 1. Any civil action.

13 2. Any alternative dispute resolution proceeding.

14 3. Any administrative proceeding before any agency or instrumentality of the  
15 state.

16 **(2)** (a) A consumer lawsuit lender may charge or contract for interest in a  
17 consumer lawsuit lending transaction at a rate not exceeding 18 percent per year.

18 (b) A consumer lawsuit lending transaction may be prepaid by the consumer  
19 at any time in whole or in part. Upon prepayment of the consumer lawsuit lending  
20 transaction in full by cash, renewal, or refinancing, the consumer is entitled to a  
21 refund of unearned interest charged, which shall be determined as follows:

22 1. On a consumer lawsuit lending transaction that is repayable in substantially  
23 equal, successive installments at approximately equal intervals of time and the face  
24 amount of which includes predetermined interest charges, the amount of the refund  
25 shall be as great a proportion of the total interest charged as the sum of the balances

1 scheduled to be outstanding during the full installment periods commencing with  
2 the installment date nearest the date of prepayment bears to the sum of the balances  
3 scheduled to be outstanding for all installment periods of the consumer lawsuit  
4 lending transaction.

5 2. On any consumer lawsuit lending transaction other than one under subd.  
6 1., the amount of the refund shall not be less than the difference between the interest  
7 charged and interest, at the rate contracted for, computed upon the unpaid principal  
8 balances of the consumer lawsuit lending transaction from time to time outstanding  
9 prior to prepayment in full.

10 **(3)** (a) The term of a consumer lawsuit lending transaction may not exceed 36  
11 months.

12 (b) The maximum total annual fee charged by a consumer lawsuit lender in a  
13 consumer lawsuit lending transaction, including any underwriting fee, organization  
14 fee, or other fee or charge, may not exceed \$360 per year.

15 **(4)** (a) A consumer lawsuit lender may not enter into a consumer lawsuit  
16 lending transaction unless there is a written agreement between the consumer  
17 lawsuit lender and the consumer that includes all of the following:

18 1. The rate of interest agreed upon in terms either of simple interest computed  
19 on the declining principal balance or of the actual interest cost in money.

20 2. A statement that the consumer lawsuit lending transaction may be prepaid  
21 in full or in part and that, if the consumer lawsuit lending transaction is prepaid in  
22 full, the consumer may receive a refund of interest charged.

23 3. On the front page of the agreement, a disclosure of the amount of money to  
24 be provided to the consumer and the total amount of money to be assigned by the  
25 consumer to the consumer lawsuit lender, described in 6-month intervals for a total

1 period of 36 months, along with an itemization of all one-time fees to be charged to  
2 the consumer.

3 4. A provision that the consumer may cancel the agreement, without penalty  
4 or further obligation, within 5 business days after entering into the consumer  
5 lawsuit lending transaction if, during this period, the consumer returns to the  
6 consumer lawsuit lender either the lender's unnegotiated check or all money  
7 provided to the consumer as well as notice of cancellation.

8 5. A provision that the consumer lawsuit lender has no right to, and will not,  
9 make any decisions with respect to the conduct of the dispute or any settlement or  
10 resolution of the dispute and that those decisions remain solely with the consumer  
11 and the consumer's attorney.

12 6. A provision that the consumer lawsuit lender has no right to participate in  
13 the prosecution of the dispute or to obtain documents or evidence connected with the  
14 dispute.

15 7. A provision that the consumer lawsuit lender accepts only an assignment of  
16 an amount of the potential proceeds from the dispute and does not accept an  
17 assignment of the consumer's legal claim. This provision shall also specify that the  
18 consumer lawsuit lender has no right to pursue the consumer's legal claim on behalf  
19 of or in lieu of the consumer.

20 8. A provision that the consumer lawsuit lender may be paid only from the  
21 consumer's proceeds of the dispute. This provision shall also specify that the  
22 consumer does not owe the consumer lawsuit lender anything if there is no recovery  
23 by the consumer in the dispute unless the consumer violates the terms of the  
24 agreement. This provision shall also specify that, if there are insufficient proceeds  
25 to pay the consumer lawsuit lender in full, the consumer lawsuit lender may be paid

1 only to the extent that there are available proceeds from the dispute, unless the  
2 consumer violates the terms of the agreement.

3 9. A provision that, if the consumer is represented by an attorney, any proceeds  
4 from the dispute paid to the consumer lawsuit lender may be paid only from the trust  
5 account of the consumer's attorney.

6 (b) Each provision or disclosure required under this subsection shall be in  
7 boldface type and of a type size no smaller than 12-point, except that the provision  
8 under par. (a) 8. shall be of a type size no smaller than 15-point.

9 (5) (a) In this subsection, "health care provider" has the meaning given in s.  
10 146.81 (1), but also includes any individual licensed or certified in another state for  
11 the same or equivalent profession.

12 (b) A consumer lawsuit lender may not pay or offer to pay commissions or  
13 referral fees to any attorney or employee of a law firm, or to any health care provider  
14 or employee of a health care provider, for referring a consumer to the consumer  
15 lawsuit lender.

16 (6) (a) Except as provided in par. (b), any consumer lawsuit lender that violates  
17 this section is subject to a forfeiture of not less than \$25 nor more than \$5,000 for each  
18 violation.

19 (b) It is a defense to a violation of this section if the consumer lawsuit lender  
20 establishes that the violation was the result of an unintentional good faith error and,  
21 at the time of the violation, the consumer lawsuit lender had in place policies or  
22 procedures designed to achieve compliance with this section.

23 **SECTION 2.** 138.04 of the statutes is amended to read:

24 **138.04 Legal rate.** The rate of interest upon the loan or forbearance of any  
25 money, goods, or things in action shall be \$5 upon the \$100 for one year and according

1 to that rate for a greater or less sum or for a longer or a shorter time; but parties may  
2 contract for the payment and receipt of a rate of interest not exceeding the rate  
3 allowed in ss. 100.56 (2) (a), 138.041 to 138.056, 138.09 to 138.14, 218.0101 to  
4 218.0163, or 422.201, in which case such rate shall be clearly expressed in writing.

5 **SECTION 3.** 177.30 (6) of the statutes is created to read:

6 177.30 (6) The administrator may not enter into a contract or other agreement  
7 to allow any person to engage in an audit on a contingent fee basis of another person's  
8 documents or records as part of an effort to administer this chapter or to purchase  
9 information or documents arising from the audit, except that this subsection does not  
10 apply to information received from the federal government.

11 **SECTION 4.** 218.0125 (7) of the statutes is amended to read:

12 218.0125 (7) A claim made by a franchised motor vehicle dealer for  
13 compensation under this section shall be either approved or disapproved within 30  
14 days after the claim is submitted to the manufacturer, importer or distributor in the  
15 manner and on the forms the manufacturer, importer or distributor reasonably  
16 prescribes. An approved claim shall be paid within 30 days after its approval. If a  
17 claim is not specifically disapproved in writing or by electronic transmission within  
18 30 days after the date on which the manufacturer, importer or distributor receives  
19 it, the claim shall be considered to be approved and payment shall follow within 30  
20 days. A manufacturer, importer or distributor retains the right to audit claims for  
21 a period of one year after the date on which the claim is paid and to charge back any  
22 amounts paid on claims that are false or unsubstantiated. If there is evidence of  
23 fraud, this subsection does not limit the right of the manufacturer to audit for longer  
24 periods and charge back for any fraudulent claim, subject to the limitations period  
25 under s. 893.93 (1) (1m) (b).



1           **SECTION 5.** 218.0126 of the statutes is amended to read:

2           **218.0126 Promotional allowances.** A claim made by a franchised motor  
3 vehicle dealer for promotional allowances or other incentive payments shall be either  
4 approved or disapproved within 30 days after the claim is submitted to the  
5 manufacturer, importer or distributor in the manner and on the forms the  
6 manufacturer, importer or distributor reasonably prescribes. An approved claim  
7 shall be paid within 30 days after its approval. If a claim is not specifically  
8 disapproved in writing or by electronic transmission within 30 days after the date  
9 on which the manufacturer, importer or distributor receives it, the claim shall be  
10 considered to be approved and payment shall follow within 30 days after approval.  
11 A manufacturer, importer or distributor retains the right to audit a claim for a period  
12 of 2 years after the date on which the claim is paid and to charge back any amounts  
13 paid on claims that are false or unsubstantiated. If there is evidence of fraud, this  
14 section does not limit the right of the manufacturer to audit for longer periods and  
15 charge back for any fraudulent claim, subject to the limitations period under s.  
16 893.93 ~~(1)~~ (1m) (b).

17           **SECTION 6.** 628.46 (1) of the statutes is amended to read:

18           628.46 **(1)** Unless otherwise provided by law, an insurer shall promptly pay  
19 every insurance claim. A claim shall be overdue if not paid within 30 days after the  
20 insurer is furnished written notice of the fact of a covered loss and of the amount of  
21 the loss. If such written notice is not furnished to the insurer as to the entire claim,  
22 any partial amount supported by written notice is overdue if not paid within 30 days  
23 after such written notice is furnished to the insurer. Any part or all of the remainder  
24 of the claim that is subsequently supported by written notice is overdue if not paid  
25 within 30 days after written notice is furnished to the insurer. Any payment shall

1 not be deemed overdue when the insurer has reasonable proof to establish that the  
2 insurer is not responsible for the payment, notwithstanding that written notice has  
3 been furnished to the insurer. For the purpose of calculating the extent to which any  
4 claim is overdue, payment shall be treated as being made on the date a draft or other  
5 valid instrument which is equivalent to payment was placed in the U.S. mail in a  
6 properly addressed, postpaid envelope, or, if not so posted, on the date of delivery.  
7 All overdue payments shall bear simple interest at the rate of ~~12~~ 10 percent per year.

8 **SECTION 7.** 801.01 (2) of the statutes is amended to read:

9 801.01 (2) SCOPE. Chapters 801 to 847 govern procedure and practice in circuit  
10 courts of this state in all civil actions and special proceedings whether cognizable as  
11 cases at law, in equity or of statutory origin except where different procedure is  
12 prescribed by statute or rule. Chapters 801 to 847 shall be construed, administered,  
13 and employed by the court and the parties to secure the just, speedy and inexpensive  
14 determination of every action and proceeding.

15 **SECTION 8.** 804.01 (1) of the statutes is amended to read:

16 804.01 (1) DISCOVERY METHODS. Parties may obtain discovery by one or more  
17 of the following methods: depositions upon oral examination or written questions;  
18 written interrogatories; production of documents or things or permission to enter  
19 upon land or other property, for inspection and other purposes; physical and mental  
20 examinations; and requests for admission. Unless the court orders otherwise under  
21 sub. (3), and except as provided in ~~s. ss. 804.015 and 804.09~~, the frequency of use of  
22 these methods is not limited.

23 **SECTION 9.** 804.01 (2) (a) of the statutes is amended to read:

24 804.01 (2) (a) *In general.* Parties may obtain discovery regarding any  
25 nonprivileged matter, ~~not privileged, which that~~ is relevant to the subject matter

1 involved in the pending action, whether it relates to the any party's claim or defense  
2 of the party seeking discovery or to the claim or defense of any other party, including  
3 the existence, description, nature, custody, condition and location of any books,  
4 documents, or other tangible things and the identity and location of persons having  
5 knowledge of any discoverable matter. It is not ground for objection that the  
6 information sought will be inadmissible at the trial if the information sought appears  
7 reasonably calculated to lead to the discovery of admissible evidence and  
8 proportional to the needs of the case, considering the importance of the issues at  
9 stake in the action, the amount in controversy, the parties' relative access to relevant  
10 information, the parties' resources, the importance of the discovery in resolving the  
11 issues, and whether the burden or expense of the proposed discovery outweighs its  
12 likely benefit. Information within this scope of discovery need not be admissible in  
13 evidence to be discoverable.

14 **SECTION 10.** 804.01 (2) (bg) of the statutes is created to read:

15 804.01 (2) (bg) *Third party agreements.* Except as otherwise stipulated or  
16 ordered by the court, a party shall, without awaiting a discovery request, provide to  
17 the other parties any agreement under which any person, other than an attorney  
18 permitted to charge a contingent fee representing a party, has a right to receive  
19 compensation that is contingent on and sourced from any proceeds of the civil action,  
20 by settlement, judgment, or otherwise.

21 **SECTION 11.** 804.01 (2) (e) 1. of the statutes is renumbered 804.01 (2) (e) 1r.

22 **SECTION 12.** 804.01 (2) (e) 1g. of the statutes is created to read:

23 804.01 (2) (e) 1g. A party is not required to provide discovery of electronically  
24 stored information that the party identifies as not reasonably accessible because of  
25 undue burden or cost. In response to a motion to compel discovery or for a protective

1 order, the party from whom discovery is sought is required to show that the  
2 information is not reasonably accessible because of undue burden or cost. If that  
3 showing is made, the court may order discovery from such sources only if the  
4 requesting party shows good cause, considering the limitations of par. (a). The court  
5 may specify conditions for the discovery.

6 **SECTION 13.** 804.01 (2) (e) 2. of the statutes is amended to read:

7 804.01 (2) (e) 2. If a party fails or refuses to confer as required by subd. ~~1.~~ 1r.,  
8 any party may move the court for relief under s. 804.12 (1).

9 **SECTION 14.** 804.01 (2) (e) 3. of the statutes is amended to read:

10 804.01 (2) (e) 3. If after conferring as required by subd. ~~1.~~ 1r., any party objects  
11 to any proposed request for discovery of electronically stored information or objects  
12 to any response under s. 804.08 (3) proposing the production of electronically stored  
13 information, the objecting party may move the court for an appropriate order under  
14 sub. (3).

15 **SECTION 15.** 804.01 (2m) of the statutes is created to read:

16 804.01 (2m) MANDATORY DISCLOSURES. A party who has entered into a contract  
17 or agreement with a consumer lawsuit lender, as defined in s. 100.56 (1) (b), shall,  
18 without receiving a discovery request, provide to the court and to each party in the  
19 matter that is the subject of the contract or agreement all of the following:

20 (a) *Consumer lawsuit lending contract.* A copy of the contract or agreement,  
21 at the time the party files his or her initial pleading in the matter or within 10 days  
22 after the contract or agreement is executed between the party and the consumer  
23 lawsuit lender, whichever is later.

24 (b) *Consumer lawsuit lending documents.* All documents, not privileged, that  
25 the party or the party's representative provided to the consumer lawsuit lender

1 pursuant to the contract or agreement described in par. (a). The party shall provide  
2 the documents to each party at the time the party files his or her initial pleading in  
3 the matter or within 10 days after he or she provides the documents to the consumer  
4 lawsuit lender, whichever is later.

5 **SECTION 16.** 804.01 (3) (a) 2. of the statutes is amended to read:

6 804.01 (3) (a) 2. That the discovery may be had only on specified terms and  
7 conditions, including a designation of the time or place or the allocation of expenses;

8 **SECTION 17.** 804.01 (4) of the statutes is amended to read:

9 804.01 (4) SEQUENCE AND TIMING OF DISCOVERY. Unless the parties stipulate or  
10 the court upon motion, for the convenience of parties and witnesses and in the  
11 interests of justice, orders otherwise, methods of discovery may be used in any  
12 sequence and the fact that a party is conducting discovery, whether by deposition or  
13 otherwise, shall not operate to delay any other party's discovery.

14 **SECTION 18.** 804.05 (1) of the statutes is amended to read:

15 804.05 (1) WHEN DEPOSITIONS MAY BE TAKEN. After commencement of the action,  
16 except as provided in sub. (1m) or s. 804.015, any party may take the testimony of  
17 any person including a party by deposition upon oral examination. The attendance  
18 of witnesses may be compelled by subpoena as provided in s. 805.07. The attendance  
19 of a party deponent or of an officer, director or managing agent of a party may be  
20 compelled by notice to the named person or attorney meeting the requirements of  
21 sub. (2) (a). Such notice shall have the force of a subpoena addressed to the deponent.  
22 The deposition of a person confined in prison may be taken only by leave of court on  
23 such terms as the court prescribes, except when the party seeking to take the  
24 deposition is the state agency or officer to whose custody the prisoner has been  
25 committed.

1           **SECTION 19.** 804.05 (1m) of the statutes is created to read:

2           804.05 **(1m)** DEPOSITIONS REQUIRING LEAVE OF COURT. A party shall obtain leave  
3 of court, and the court shall grant leave in a manner consistent with s. 804.01 (2), if  
4 the parties have not stipulated to the deposition and the deposition would result in  
5 more than 10 depositions being taken under this section or s. 804.06 by the plaintiffs,  
6 or by the defendants, or by the 3rd-party defendants.

7           **SECTION 20.** 804.06 (1) (a) of the statutes is amended to read:

8           804.06 **(1)** (a) After commencement of the action, except as provided in sub.  
9 (1m) or s. 804.015, any party may take the testimony of any person, including a party,  
10 by deposition upon written questions. The attendance of witnesses may be compelled  
11 by subpoena as provided in s. 805.07. The attendance of a party deponent or of an  
12 officer, director, or managing agent of a party may be compelled by notice to the  
13 person to be deposed or his or her attorney meeting the requirements of s. 804.05 (2)  
14 (a). The deposition of a person confined in prison may be taken only by leave of court  
15 on such terms as the court prescribes, except when the person seeking to take the  
16 deposition is the state agency or officer to whose custody the prisoner has been  
17 committed.

18           **SECTION 21.** 804.06 (1m) of the statutes is created to read:

19           804.06 **(1m)** DEPOSITIONS REQUIRING LEAVE OF COURT. A party shall obtain leave  
20 of court, and the court shall grant leave in a manner consistent with s. 804.01 (2), if  
21 the parties have not stipulated to the deposition and the deposition would result in  
22 more than 10 depositions being taken under this section or s. 804.05 by the plaintiffs,  
23 or by the defendants, or by the 3rd-party defendants.

24           **SECTION 22.** 804.08 (1) (a) of the statutes is amended to read:

1           804.08 (1) (a) Except as provided in par. (am) or s. 804.015, any party may serve  
2           upon any other party written interrogatories to be answered by the party served, or,  
3           if the party served is a public or private corporation or a limited liability company  
4           or a partnership or an association or a governmental agency or a state officer in an  
5           action arising out of the officer's performance of employment, by any officer or agent,  
6           who shall furnish such information as is available to the party. Interrogatories may,  
7           without leave of court, be served upon the plaintiff after commencement of the action  
8           and upon any other party with or after service of the summons and complaint upon  
9           that party.

10           **SECTION 23.** 804.08 (1) (am) of the statutes is created to read:

11           804.08 (1) (am) A party shall be limited, unless otherwise stipulated or ordered  
12           by the court in a manner consistent with s. 804.01 (2), to a reasonable number of  
13           requests, not to exceed 25 interrogatories, including all subparts.

14           **SECTION 24.** 804.09 (2) (a) of the statutes is renumbered 804.09 (2) (a) (intro.)  
15           and amended to read:

16           804.09 (2) (a) (intro.) Except as provided in s. 804.015, the request may, without  
17           leave of court, be served upon the plaintiff after commencement of the action and  
18           upon any other party with or after service of the summons and complaint upon that  
19           party, and shall meet all of the following criteria:

20           1. The request shall describe with reasonable particularity each item or  
21           category of items to be inspected.

22           2. The request shall specify a reasonable time, place, and manner of making  
23           the inspection and performing the related acts.

24           3. The request may specify the form or forms in which electronically stored  
25           information is to be produced.

1           **SECTION 25.** 804.09 (2) (b) 1. of the statutes is amended to read:

2           804.09 (2) (b) 1. The party upon whom the request is served shall serve a  
3 written response within 30 days after the service of the request, except that a  
4 defendant may serve a response within 45 days after service of the summons and  
5 complaint upon that defendant. The court may allow a shorter or longer time. The  
6 response shall state, with respect to each item or category, that inspection and  
7 related activities will be permitted as requested, unless or state with specificity the  
8 grounds for objecting to the request is objected to, in which event the reasons for  
9 objection shall be stated. If objection is made to part of an item or category, the part  
10 shall be specified. The response may state an objection to a requested form for  
11 producing electronically stored information. If the responding party objects to a  
12 requested form, or if no form was specified in the request, the party shall state the  
13 form or forms it intends to use. The responding party may state that it will produce  
14 copies of documents or of electronically stored information instead of permitting  
15 inspection. The production shall be completed no later than the time for inspection  
16 specified in the request or another reasonable time specified in the request or  
17 another reasonable time specified in the response.

18           **SECTION 26.** 804.12 (1) (a) of the statutes is amended to read:

19           804.12 (1) (a) *Motion.* If a deponent fails to answer a question propounded or  
20 submitted under s. 804.05 or 804.06, or a corporation or other entity fails to make a  
21 designation under s. 804.05 (2) (e) or 804.06 (1), or a party fails to answer an  
22 interrogatory submitted under s. 804.08, or if a party, in response to a request for  
23 inspection submitted under s. 804.09, fails to produce documents or fails to respond  
24 that inspection will be permitted as requested or fails to permit inspection as  
25 requested, the discovering party may move for an order compelling an answer, or a



1 designation, or an order compelling inspection in accordance with the request. When  
2 taking a deposition on oral examination, the proponent of the question may complete  
3 or adjourn the examination before he or she applies for an order. If the court denies  
4 the motion in whole or in part, it may make such protective order as it would have  
5 been empowered to make on a motion made pursuant to s. 804.01 (3).

6 **SECTION 27.** 893.53 of the statutes is amended to read:

7 **893.53 Action for injury to character or other rights.** An action to recover  
8 damages for an injury to the character or rights of another, not arising on contract,  
9 shall be commenced within ~~6~~ 3 years after the cause of action accrues, except where  
10 a different period is expressly prescribed, or be barred.

11 **SECTION 28.** 893.93 (1) (a) of the statutes is renumbered 893.93 (1m) (a).

12 **SECTION 29.** 893.93 (1) (b) of the statutes is renumbered 893.93 (1m) (b).

13 **SECTION 30.** 893.93 (1m) (intro.) of the statutes is created to read:

14 893.93 (1m) (intro.) The following actions shall be commenced within 3 years  
15 after the cause of action accrues or be barred:

16 **SECTION 31. Initial applicability.**

17 (1) **THIRD-PARTY AUDITS.** The treatment of section 177.30 (6) of the statutes first  
18 applies to a contract or agreement that is entered into, renewed, or modified on the  
19 effective date of this subsection.

20 (2) **CONSUMER LAWSUIT LENDING.** The treatment of section 100.56 of the statutes  
21 first applies to consumer lawsuit lending transactions first entered into on the  
22 effective date of this subsection.

23 (3) **DISCOVERY PROCEDURES.** The treatment of sections 804.01 (2) (a), (bg), and  
24 (e) 1g., (2m), (3) (a) 2., and (4), 804.05 (1) and (1m), 804.06 (1) (a) and (1m), 804.08

1 (1) (a) and (am), 804.09 (2) (a) and (b) 1., and 804.12 (1) (a) of the statutes first applies  
2 to actions that are filed on July 1, 2018.

3 (END)