



PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

global obj's

[this Act] → this chapter

last known address → last-known address

three → 3

State → state

1 AN ACT relating to: the unclaimed property act.

and granting rule-making authority

Analysis by the Legislative Reference Bureau

This is a preliminary draft. An analysis will be provided in a later version.

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:

2 **SECTION 1.** Chapter 177 of the statutes is repealed and recreated to read:

3 **CHAPTER 177**

4 **UNCLAIMED PROPERTY ACT**

5 **SECTION 1. DEFINITIONS.** In this chapter:

6 (1) "Administrator" means *insert name of appropriate officer*.

7 (2) "Apparent owner" means a person whose name appears on the records of
8 a holder as the person entitled to property held, issued or owing by the holder.

the state treasurer

1 (3) "Business association" means a corporation, joint stock company,
2 investment company, partnership, unincorporated association, joint venture,
3 limited liability company, business trust, trust company, [land bank], safe deposit
4 company, [safekeeping depository], financial organization, insurance company,
5 mutual fund, utility, or other business entity consisting of one or more persons,
6 whether or not for profit.

7 (4) "Domicile" means the State of incorporation of a corporation and the State
8 of the principal place of business of a holder other than a corporation.

9 (5) "Financial organization" means a savings and loan association, [building
10 and loan association, savings bank, industrial bank,] bank, banking organization, or
11 credit union.

12 (6) "Holder" means a person obligated to hold for the account of, or deliver or
13 pay to, the owner property that is subject to this chapter.

14 (7) "Insurance company" means an association, corporation, or fraternal or
15 mutual benefit organization, whether or not for profit, engaged in the business of
16 providing life endowments, annuities, or insurance, including accident, burial,
17 casualty, credit life, contract performance, dental, disability, fidelity, fire, health,
18 hospitalization, illness, life, malpractice, marine, mortgage, surety, wage protection
19 and workers' compensation insurance.

20 (8) "Mineral" means gas; oil; coal; other gaseous, liquid, and solid
21 hydrocarbons; oil shale; cement material; sand and gravel; road material; building
22 stone; chemical raw material; gemstone; fissionable and nonfissionable ores;
23 colloidal and other clay; steam and other geothermal resource; or any other
24 substance defined as a mineral by the law of this State.

1 (9) "Mineral proceeds" means amounts payable for the extraction, production,
2 or sale of minerals, or, upon the abandonment of those payments, all payments that
3 become payable thereafter. The term includes amounts payable:

4 (i) for the acquisition and retention of a mineral lease, including bonuses,
5 royalties, compensatory royalties, shut-in royalties, minimum royalties, and delay
6 rentals;

7 (ii) for the extraction, production or sale of minerals, including net revenue
8 interests, royalties, overriding royalties, extraction payments, and production
9 payments; and

10 (iii) under an agreement or option, including a joint operating agreement, unit
11 agreement, pooling agreement, and farm-out agreement.

12 (10) "Money order" includes an express money order and a personal money
13 order, on which the remitter is the purchaser. The term does not include a bank
14 money order or any other instrument sold by a financial organization if the seller has
15 obtained the name and address of the payee.

16 (11) "Owner" means a person who has a legal or equitable interest in property
17 subject to this chapter or the person's legal representative. The term includes a
18 depositor in the case of a deposit, a beneficiary in the case of a trust other than a
19 deposit in trust, and a creditor, claimant, or payee in the case of other property.

20 (12) "Person" means an individual, business association, financial
21 organization, estate, trust, government, governmental subdivision, agency, or
22 instrumentality, or any other legal or commercial entity.

23 (13) "Property" means tangible property described in Section 3 or a fixed and
24 certain interest in intangible property that is held, issued, or owed in the course of
25 a holder's business, or by a government, governmental subdivision, agency, or

1 instrumentality, and all income or increments therefrom. The term includes
2 property that is referred to as or evidenced by:

3 (i) money, a check, draft, deposit, interest~~or~~ dividend;

4 (ii) credit balance, customer's overpayment, gift certificate, security deposit,
5 refund, credit memorandum, unpaid wage, unused ticket, mineral proceeds~~or~~
6 unidentified remittance;

7 (iii) stock or other evidence of ownership of an interest in a business association
8 or financial organization;

9 (iv) a bond, debenture, note~~or~~ other evidence of indebtedness;

10 (v) money deposited to redeem stocks, bonds, coupons~~or~~ other securities or to
11 make distributions;

12 (vi) an amount due and payable under the terms of an annuity or insurance
13 policy, including policies providing life insurance, property and casualty insurance,
14 workers' compensation insurance~~or~~ health and disability insurance; and

15 (vii) an amount distributable from a trust or custodial fund established under
16 a plan to provide health, welfare, pension, vacation, severance, retirement, death,
17 stock purchase, profit sharing, employee savings, supplemental unemployment
18 insurance~~or~~ similar benefits.

19 (14) "Record" means information that is inscribed on a tangible medium or that
20 is stored in an electronic or other medium and is retrievable in perceivable form.

21 (15) "State" means a ~~State~~ of the United States, the District of Columbia, the
22 Commonwealth of Puerto Rico, or any territory or insular possession subject to the
23 jurisdiction of the United States.

24 (16) "Utility" means [a person who owns or operates for public use any plant,
25 equipment, real property, franchise, or license for the transmission of

1 communications or the production, storage, transmission, sale, delivery, or
2 furnishing of electricity, water, steam, or gas] [insert cross reference to statute
3 defining public utility].

4 SECTION 2. PRESUMPTIONS OF ABANDONMENT.

5 (a) Property is presumed abandoned if it is unclaimed by the apparent owner
6 during the time set forth below for the particular property:

7 (1) traveler's check, 15 years after issuance;

8 (2) money order, ~~seven~~⁷ years after issuance;

9 (3) stock or other equity interest in a business association or financial
10 organization, including a security entitlement under ~~[Article 8 of the Uniform~~
11 ~~Commercial Code]~~, ~~five~~⁵ years after the earlier of (i) the date of the most recent
12 dividend, stock split, or other distribution unclaimed by the apparent owner, or (ii)
13 the date of the second mailing of a statement of account or other notification or
14 communication that was returned as undeliverable or after the holder discontinued
15 mailings, notifications, or communications to the apparent owner;

16 (4) debt of a business association or financial organization, other than a bearer
17 bond or an original issue discount bond, ~~five~~⁵ years after the date of the most recent
18 interest payment unclaimed by the apparent owner;

19 (5) a demand, savings, or time deposit, including a deposit that is automatically
20 renewable, ~~five~~⁵ years after the earlier of maturity or the date of the last indication
21 by the owner of interest in the property; but a deposit that is automatically renewable
22 is deemed matured for purposes of this section upon its initial date of maturity,
23 unless the owner has consented to a renewal at or about the time of the renewal and
24 the consent is in writing or is evidenced by a memorandum or other record on file with
25 the holder;

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1 (6) money or credits owed to a customer as a result of a retail business
2 transaction, ~~three~~ ³ years after the obligation accrued;

3 (7) gift certificate, ~~three~~ ³ years after December 31 of the year in which the
4 certificate was sold, but if redeemable in merchandise only, the amount abandoned
5 is deemed to be ~~60~~ ³ percent of the certificate's face value;

6 (8) amount owed by an insurer on a life or endowment insurance policy or an
7 annuity that has matured or terminated, ~~three~~ ³ years after the obligation to pay arose
8 or, in the case of a policy or annuity payable upon proof of death, ~~three~~ ³ years after
9 the insured has attained, or would have attained if living, the limiting age under the
10 mortality table on which the reserve is based;

11 (9) property distributable by a business association or financial organization in
12 a course of dissolution, one year after the property becomes distributable;

13 (10) property received by a court as proceeds of a class action, and not
14 distributed pursuant to the judgment, one year after the distribution date;

15 (11) property held by a court, government, governmental subdivision, agency,
16 or instrumentality, one year after the property becomes distributable;

17 (12) wages or other compensation for personal services, one year after the
18 compensation becomes payable;

19 (13) deposit or refund owed to a subscriber by a utility, one year after the deposit
20 or refund becomes payable;

21 (14) property in an individual retirement account, defined benefit plan ~~or~~
22 account or plan that is qualified for tax deferral under the income tax laws of the
23 United States, ~~three~~ ³ years after the earliest of the date of the distribution or
24 attempted distribution of the property, the date of the required distribution as stated
25 in the plan or trust agreement governing the plan, or the date, if determinable by the

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1 holder, specified in the income tax laws of the United States by which distribution
2 of the property must begin in order to avoid a tax penalty; and

3 (15) all other property, five years after the owner's right to demand the property
4 or after the obligation to pay or distribute the property arises, whichever first occurs.

5 (b) At the time that an interest is presumed abandoned under subsection (a),
6 any other property right accrued or accruing to the owner as a result of the interest,
7 and not previously presumed abandoned, is also presumed abandoned. Sub. (c)

8 (c) Property is unclaimed if, for the applicable period set forth in subsection (a),
9 the apparent owner has not communicated in writing or by other means reflected in
10 a contemporaneous record prepared by or on behalf of the holder, with the holder
11 concerning the property or the account in which the property is held, and has not
12 otherwise indicated an interest in the property. A communication with an owner by
13 a person other than the holder or its representative who has not in writing identified
14 the property to the owner is not an indication of interest in the property by the owner.

15 (d) An indication of an owner's interest in property includes:

16 (i) the presentment of a check or other instrument of payment of a dividend or
17 other distribution made with respect to an account or underlying stock or other
18 interest in a business association or financial organization or, in the case of a
19 distribution made by electronic or similar means, evidence that the distribution has
20 been received;

21 (ii) owner-directed activity in the account in which the property is held,
22 including a direction by the owner to increase, decrease, or change the amount or
23 type of property held in the account;

24 (iii) the making of a deposit to or withdrawal from a bank account; and

1 (iv) the payment of a premium with respect to a property interest in an
 2 insurance policy; but the application of an automatic premium loan provision or
 3 other nonforfeiture provision contained in an insurance policy does not prevent a
 4 policy from maturing or terminating if the insured has died or the insured or the
 5 beneficiary of the policy has otherwise become entitled to the proceeds before the
 6 depletion of the cash surrender value of a policy by the application of those
 7 provisions.

8 (e) Property is payable or distributable for purposes of this chapter
 9 notwithstanding the owner's failure to make demand or present an instrument or
 10 document otherwise required to obtain payment.

11 SECTION 3. CONTENTS OF SAFE DEPOSIT BOX OR OTHER
 12 SAFEKEEPING DEPOSITORY. Tangible property held in a safe deposit box or
 13 other safekeeping depository in this state in the ordinary course of the holder's
 14 business and proceeds resulting from the sale of the property permitted by other law,
 15 are presumed abandoned if the property remains unclaimed by the owner for more
 16 than ⁵ five years after expiration of the lease or rental period on the box or other
 17 depository.

18 SECTION 4. RULES FOR TAKING CUSTODY. Except as otherwise provided
 19 in this chapter or by other statute of this State, property that is presumed
 20 abandoned, whether located in this or another State, is subject to the custody of this
 21 state if:

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- 22 (1) the last known address of the apparent owner, as shown on the records of
 23 the holder, is in this State;

1 (2) the records of the holder do not reflect the identity of the person entitled to
2 the property and it is established that the last known address of the person entitled
3 to the property is in this State;

4 (3) the records of the holder do not reflect the last known address of the
5 apparent owner and it is established that:

6 (i) the last known address of the person entitled to the property is in this State;
7 or

8 (ii) the holder is domiciled in this state or is a government or governmental
9 subdivision, agency or instrumentality of this state and has not previously paid or
10 delivered the property to the State of the last known address of the apparent owner
11 or other person entitled to the property;

12 (4) the last known address of the apparent owner, as shown on the records of
13 the holder, is in a State that does not provide for the escheat or custodial taking of
14 the property and the holder is domiciled in this state or is a government or
15 governmental subdivision, agency or instrumentality of this State;

16 (5) the last known address of the apparent owner, as shown on the records of
17 the holder, is in a foreign country and the holder is domiciled in this state or is a
18 government or governmental subdivision, agency or instrumentality of this State;

19 (6) the transaction out of which the property arose occurred in this State, the
20 holder is domiciled in a State that does not provide for the escheat or custodial taking
21 of the property, and the last known address of the apparent owner or other person
22 entitled to the property is unknown or is in a State that does not provide for the
23 escheat or custodial taking of the property; or

24 (7) the property is a traveler's check or money order purchased in this State, or
25 the issuer of the traveler's check or money order has its principal place of business

1 in this state and the issuer's records show that the instrument was purchased in a
2 State that does not provide for the escheat or custodial taking of the property, or do
3 not show the State in which the instrument was purchased.

4 SECTION 5. DORMANCY CHARGE. A holder may deduct from property
5 presumed abandoned a charge imposed by reason of the owner's failure to claim the
6 property within a specified time only if there is a valid and enforceable written
7 contract between the holder and the owner under which the holder may impose the
8 charge and the holder regularly imposes the charge, which is not regularly reversed
9 or otherwise canceled. The amount of the deduction is limited to an amount that is
10 not unconscionable.

11 SECTION 6. BURDEN OF PROOF AS TO PROPERTY EVIDENCED BY
12 RECORD OF CHECK OR DRAFT. A record of the issuance of a check, draft ~~or~~
13 similar instrument is prima facie evidence of an obligation. In claiming property
14 from a holder who is also the issuer, the administrator's burden of proof as to the
15 existence and amount of the property and its abandonment is satisfied by showing
16 issuance of the instrument and passage of the requisite period of abandonment.
17 Defenses of payment, satisfaction, discharge ~~and~~ and want of consideration are
18 affirmative defenses that must be established by the holder.

19 SECTION 7. REPORT OF ABANDONED PROPERTY

20 (a) A holder of property presumed abandoned shall make a report to the
21 administrator concerning the property.

22 (b) The report must be verified and must contain:

23 (1) a description of the property;

24 (2) except with respect to a traveler's check or money order, the name, if known,
25 and last known address, if any, and the social security number or taxpayer

1 identification number, if readily ascertainable, of the apparent owner of property of
2 the value of \$50 or more;

3 (3) an aggregated amount of items valued under \$50 each;

4 (4) in the case of an amount of \$50 or more held or owing under an annuity or
5 a life or endowment insurance policy, the full name and last ~~known~~ address of the
6 annuitant or insured and of the beneficiary;

7 (5) in the case of property held in a safe deposit box or other safekeeping
8 depository, an indication of the place where it is held and where it may be inspected
9 by the administrator, and any amounts owing to the holder;

10 (6) the date, if any, on which the property became payable, ~~demandable~~ or
11 returnable, and the date of the last transaction with the apparent owner with respect
12 to the property; and

13 (7) other information that the administrator by rule prescribes as necessary for
14 the administration of this chapter.

15 (c) If a holder of property presumed abandoned is a successor to another person
16 who previously held the property for the apparent owner or the holder has changed
17 its name while holding the property, the holder shall file with the report its former
18 names, if any, and the known names and addresses of all previous holders of the
19 property.

20 (d) The report must be filed before November 1 of each year and cover the 12
21 months next preceding July 1 of that year, but a report with respect to a life insurance
22 company must be filed before May 1 of each year for the calendar year next preceding.

23 (e) The holder of property presumed abandoned shall send written notice to the
24 apparent owner, not more than 120 days or less than 60 days before filing the report,
25 stating that the holder is in possession of property subject to this chapter, if:

1 (1) the holder has in its records an address for the apparent owner which the
2 holder's records do not disclose to be inaccurate;

3 (2) the claim of the apparent owner is not barred by a statute of limitations; and

4 (3) the value of the property is \$50 or more.

5 (f) Before the date for filing the report, the holder of property presumed
6 abandoned may request the administrator to extend the time for filing the report.
7 The administrator may grant the extension for good cause. The holder, upon receipt
8 of the extension, may make an interim payment on the amount the holder estimates
9 will ultimately be due, which terminates the accrual of additional interest on the
10 amount paid.

11 (g) The holder of property presumed abandoned shall file with the report an
12 affidavit stating that the holder has complied with subsection (e).

13 SECTION 8. PAYMENT OR DELIVERY OF ABANDONED PROPERTY

14 (a) Except for property held in a safe deposit box or other safekeeping
15 depository, upon filing the report required by Section 7, the holder of property
16 presumed abandoned shall pay, ~~deliver~~ or cause to be paid or delivered to the
17 administrator the property described in the report as unclaimed, but if the property
18 is an automatically renewable deposit, and a penalty or forfeiture in the payment of
19 interest would result, the time for compliance is extended until a penalty or forfeiture
20 would no longer result. Tangible property held in a safe deposit box or other
21 safekeeping depository may not be delivered to the administrator until [120] days
22 after filing the report required by Section 7.

23 (b) If the property reported to the administrator is a security or security
24 entitlement under ~~Article 8 of the Uniform Commercial Code~~, the administrator is
25 an appropriate person to make an indorsement, instruction or entitlement order on

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1 behalf of the apparent owner to invoke the duty of the issuer or its transfer agent or
2 the securities intermediary to transfer or dispose of the security or the security
3 entitlement in accordance with ~~Article 8 of the Uniform Commercial Code~~.

4 (c) If the holder of property reported to the administrator is the issuer of a
5 certificated security, the administrator has the right to obtain a replacement
6 certificate pursuant to ~~Section 8-405 of the Uniform Commercial Code~~, but an
7 indemnity bond is not required.

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8 (d) An issuer: the holder ~~and~~ any transfer agent or other person acting
9 pursuant to the instructions of and on behalf of the issuer or holder in accordance
10 with this section is not liable to the apparent owner and must be indemnified against
11 claims of any person in accordance with Section 10.

12 SECTION 9. NOTICE AND PUBLICATION OF LISTS OF ABANDONED
13 PROPERTY.

as a class 1 notice under ch. 985

14 (a) The administrator shall publish a notice not later than November 30 of the
15 year next following the year in which abandoned property has been paid or delivered
16 to the administrator. The notice must be published in a newspaper of general
17 circulation in the ~~county~~ of this state in which is located the last known address of
18 any person named in the notice. **If** a holder does not report an address for the
19 apparent owner, or the address is outside this State, the notice must be published in
20 the ~~county~~ in which the holder has its principal place of business within this state
21 or another ~~county~~ that the administrator reasonably selects. The advertisement
22 must be in a form that, in the judgment of the administrator, is likely to attract the
23 attention of the apparent owner of the unclaimed property. The form must contain:

24 (1) the name of each person appearing to be the owner of the property, as set
25 forth in the report filed by the holder;

1 (2) the last known address or location of each person appearing to be the owner
2 of the property, if an address or location is set forth in the report filed by the holder;

3 (3) a statement explaining that property of the owner is presumed to be
4 abandoned and has been taken into the protective custody of the administrator; and

5 (4) a statement that information about the property and its return to the owner
6 is available to a person having a legal or beneficial interest in the property, upon
7 request to the administrator.

8 (b) The administrator is not required to advertise the name and address or
9 location of an owner of property having a total value less than \$50, or information
10 concerning a traveler's check, money order or similar instrument.

11 SECTION 10. CUSTODY BY STATE; RECOVERY BY HOLDER; DEFENSE
12 OF HOLDER.

13 (a) In this section, payment or delivery is made in "good faith" if:

14 (1) payment or delivery was made in a reasonable attempt to comply with this
15 chapter;

16 (2) the holder was not then in breach of a fiduciary obligation with respect to
17 the property and had a reasonable basis for believing, based on the facts then known,
18 that the property was presumed abandoned; and

19 (3) there is no showing that the records under which the payment or delivery
20 was made did not meet reasonable commercial standards of practice.

21 (b) Upon payment or delivery of property to the administrator, the State
22 assumes custody and responsibility for the safekeeping of the property. A holder who
23 pays or delivers property to the administrator in good faith is relieved of all liability
24 arising thereafter with respect to the property.

1 (c) A holder who has paid money to the administrator pursuant to this chapter
2 may subsequently make payment to a person reasonably appearing to the holder to
3 be entitled to payment. Upon a filing by the holder of proof of payment and proof that
4 the payee was entitled to the payment, the administrator shall promptly reimburse
5 the holder for the payment without imposing a fee or other charge. If reimbursement
6 is sought for a payment made on a negotiable instrument, including a traveler's
7 check or money order, the holder must be reimbursed upon filing proof that the
8 instrument was duly presented and that payment was made to a person who
9 reasonably appeared to be entitled to payment. The holder must be reimbursed for
10 payment made even if the payment was made to a person whose claim was barred
11 under Section 19(a).

12 (d) A holder who has delivered property other than money to the administrator
13 pursuant to this chapter may reclaim the property if it is still in the possession of the
14 administrator, without paying any fee or other charge, upon filing proof that the
15 apparent owner has claimed the property from the holder.

16 (e) The administrator may accept a holder's affidavit as sufficient proof of the
17 holder's right to recover money and property under this section.

18 (f) If a holder pays or delivers property to the administrator in good faith and
19 thereafter another person claims the property from the holder or another ~~State~~
20 claims the money or property under its laws relating to escheat or abandoned or
21 unclaimed property, the administrator, upon written notice of the claim, shall defend
22 the holder against the claim and indemnify the holder against any liability on the
23 claim resulting from payment or delivery of the property to the administrator.

24 (g) Property removed from a safe deposit box or other safekeeping depository
25 is received by the administrator subject to the holder's right to be reimbursed for the

1 cost of the opening and to any valid lien or contract providing for the holder to be
 2 reimbursed for unpaid rent or storage charges. The administrator shall reimburse
 3 the holder out of the proceeds remaining after deducting the expense incurred by the
 4 administrator in selling the property.

5 SECTION 11. CREDITING OF DIVIDENDS, INTEREST, AND
 6 INCREMENTS TO OWNER'S ACCOUNT. If property other than money is delivered
 7 to the administrator under this chapter, the owner is entitled to receive from the
 8 administrator any income or gain realized or accruing on the property at or before
 9 liquidation or conversion of the property into money. If the property was an interest
 10 bearing demand, savings, or time deposit, including a deposit that is automatically
 11 renewable, the administrator shall pay interest at a rate of [insert legal rate] percent
 12 a year or any lesser rate the property earned while in the possession of the holder.
 13 Interest begins to accrue when the property is delivered to the administrator and
 14 ceases on the earlier of the expiration of 10 years after delivery or the date on which
 15 payment is made to the owner. Interest on interest bearing property is not payable
 16 for any period before the effective date of this chapter, unless authorized by law
 17 superseded by this chapter.

0000 [revisor inserts date]

18 SECTION 12. PUBLIC SALE OF ABANDONED PROPERTY.

19 (a) Except as otherwise provided in this section, the administrator, within three
 20 years after the receipt of abandoned property, shall sell it to the highest bidder at
 21 public sale at a location in the State which in the judgment of the administrator
 22 affords the most favorable market for the property. The administrator may decline
 23 the highest bid and reoffer the property for sale if the administrator considers the
 24 bid to be insufficient. The administrator need not offer the property for sale if the
 25 administrator considers that the probable cost of sale will exceed the proceeds of the

*under
Sec.
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1 sale. A sale held under this section must be preceded by a single publication of notice,
2 at least ~~three~~ ³ weeks before sale, in a newspaper of general circulation in the {county}
3 in which the property is to be sold.

4 (b) Securities listed on an established stock exchange must be sold at prices
5 prevailing on the exchange at the time of sale. Other securities may be sold over the
6 counter at prices prevailing at the time of sale or by any reasonable method selected
7 by the administrator. If securities are sold by the administrator before the expiration
8 of ~~three~~ ³ years after their delivery to the administrator, a person making a claim
9 under this chapter before the end of the ~~three~~ ³-year period is entitled to the proceeds
10 of the sale of the securities or the market value of the securities at the time the claim
11 is made, whichever is greater, plus dividends, interest, ~~and~~ other increments thereon
12 up to the time the claim is made, less any deduction for expenses of sale. A person
13 making a claim under this chapter after the expiration of the ~~three~~ ³-year period is
14 entitled to receive the securities delivered to the administrator by the holder, if they
15 still remain in the custody of the administrator, or the net proceeds received from
16 sale, and is not entitled to receive any appreciation in the value of the property
17 occurring after delivery to the administrator, except in a case of intentional
18 misconduct or malfeasance by the administrator.

19 (c) A purchaser of property at a sale conducted by the administrator pursuant
20 to this chapter takes the property free of all claims of the owner or previous holder
21 and of all persons claiming through or under them. The administrator shall execute
22 all documents necessary to complete the transfer of ownership.

23 SECTION 13. DEPOSIT OF FUNDS.

24 [(a) Except as otherwise provided by this section, the] [The] administrator shall
25 promptly deposit in the [general fund] of this state all funds received under this

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1 chapter, including the proceeds from the sale of abandoned property under Section
2 12. [The administrator shall retain in a separate trust fund at least [\$100,000] from
3 which the administrator shall pay claims duly allowed.] The administrator shall
4 record the name and last known address of each person appearing from the holders'
5 reports to be entitled to the property and the name and last known address of each
6 insured person or annuitant and beneficiary and with respect to each policy or
7 annuity listed in the report of an insurance company, its number, the name of the
8 company and the amount due.

9 [(b) Before making a deposit to the credit of the [general fund], the
10 administrator may deduct:

- 11 (1) expenses of sale of abandoned property;
- 12 (2) costs of mailing and publication in connection with abandoned property;
- 13 (3) reasonable service charges; and
- 14 (4) expenses incurred in examining records of holders of property and in
15 collecting the property from those holders.]

16 SECTION 14. CLAIM OF ANOTHER STATE TO RECOVER PROPERTY.

17 (a) After property has been paid or delivered to the administrator under this
18 chapter, another State may recover the property if:

- 19 (1) the property was paid or delivered to the custody of this state because the
20 records of the holder did not reflect a last known location of the apparent owner
21 within the borders of the other State and the other State establishes that the
22 apparent owner or other person entitled to the property was last known to be located
23 within the borders of that State and under the laws of that State the property has
24 escheated or become subject to a claim of abandonment by that State;

1 (2) the property was paid or delivered to the custody of this state because the
2 laws of the other State did not provide for the escheat or custodial taking of the
3 property, and under the laws of that State subsequently enacted the property has
4 escheated or become subject to a claim of abandonment by that State;

5 (3) the records of the holder were erroneous in that they did not accurately
6 identify the owner of the property and the last known location of the owner within
7 the borders of another State and under the laws of that State the property has
8 escheated or become subject to a claim of abandonment by that State;

9 (4) the property was subjected to custody by this state under Section 4(6) and
10 under the laws of the State of domicile of the holder the property has escheated or
11 become subject to a claim of abandonment by that State; or

12 (5) the property is a sum payable on a traveler's check, money order, or similar
13 instrument that was purchased in the other State and delivered into the custody of
14 this state under Section 4(7), and under the laws of the other State the property has
15 escheated or become subject to a claim of abandonment by that State.

16 (b) A claim of another State to recover escheated or abandoned property must
17 be presented in a form prescribed by the administrator, who shall decide the claim
18 within 90 days after it is presented. The administrator shall allow the claim upon
19 determining that the other State is entitled to the abandoned property under
20 subsection (a).

21 (c) The administrator shall require another State, before recovering property
22 under this section, to agree to indemnify this state and its officers and employees
23 against any liability on a claim to the property.

24 **SECTION 15. FILING CLAIM WITH ADMINISTRATOR; HANDLING OF**
25 **CLAIMS BY ADMINISTRATOR.**

1 (a) A person, excluding another State, claiming property paid or delivered to
2 the administrator may file a claim on a form prescribed by the administrator and
3 verified by the claimant.

4 (b) Within 90 days after a claim is filed, the administrator shall allow or deny
5 the claim and give written notice of the decision to the claimant. If the claim is
6 denied, the administrator shall inform the claimant of the reasons for the denial and
7 specify what additional evidence is required before the claim will be allowed. The
8 claimant may then file a new claim with the administrator or maintain an action
9 under Section 16.

10 (c) Within 30 days after a claim is allowed, the property or the net proceeds of
11 a sale of the property must be delivered or paid by the administrator to the claimant,
12 together with any dividend, interest, or other increment to which the claimant is
13 entitled under Sections 11 and 12.

14 (d) A holder who pays the owner for property that has been delivered to the
15 State and which, if claimed from the administrator by the owner would be subject to
16 an increment under Sections 11 and 12, may recover from the administrator the
17 amount of the increment. *or this*

18 SECTION 16. ACTION TO ESTABLISH CLAIM. A person aggrieved by a
19 decision of the administrator or whose claim has not been acted upon within 90 days
20 after its filing may maintain an original action to establish the claim in the
21 [appropriate] court, naming the administrator as a defendant. [If the aggrieved
22 person establishes the claim in an action against the administrator, the court may
23 award the claimant reasonable attorney's fees.]

24 SECTION 17. ELECTION TO TARE PAYMENT OR DELIVERY.

1 (a) The administrator may decline to receive property reported under this
2 chapter which the administrator considers to have a value less than the expenses of
3 notice and sale.

4 (b) A holder, with the written consent of the administrator and upon conditions
5 and terms prescribed by the administrator, may report and deliver property before
6 the property is presumed abandoned. Property so delivered must be held by the
7 administrator and is not presumed abandoned until it otherwise would be presumed
8 abandoned under this chapter.

9 SECTION 18. DESTRUCTION OR DISPOSITION OF PROPERTY HAVING
10 NO SUBSTANTIAL COMMERCIAL VALUE; IMMUNITY FROM LIABILITY. If
11 the administrator determines after investigation that property delivered under this
12 chapter has no substantial commercial value, the administrator may destroy or
13 otherwise dispose of the property at any time. An action or proceeding may not be
14 maintained against the ~~State~~ or any officer or against the holder for or on account
15 of an act of the administrator under this section, except for intentional misconduct
16 or malfeasance.

17 SECTION 19. PERIODS OF LIMITATION.

18 (a) The expiration, ^{3 ON} before or after the effective date of this chapter, of a period
19 of limitation on the owner's right to receive or recover property, whether specified by
20 contract, statute ~~X~~ or court order, does not preclude the property from being presumed
21 abandoned or affect a duty to file a report or to pay or deliver or transfer property to
22 the administrator as required by this chapter.

23 (b) An action or proceeding may not be maintained by the administrator to
24 enforce this chapter in regard to the reporting, ~~X~~ delivery, or payment of property more
25 than 10 years after the holder specifically identified the property in a report filed

[revisar inserts date]

1 with the administrator or gave express notice to the administrator of a dispute
2 regarding the property. In the absence of such a report or other express notice, the
3 period of limitation is tolled. The period of limitation is also tolled by the filing of a
4 report that is fraudulent.

5 SECTION 20. REQUESTS FOR REPORTS AND EXAMINATION OF
6 RECORDS.

7 (a) The administrator may require a person who has not filed a report, or a
8 person who the administrator believes has filed an inaccurate, incomplete ~~or~~ false
9 report, to file a verified report in a form specified by the administrator. ~~The~~ report
10 must state whether the person is holding property reportable under this chapter,
11 describe property not previously reported or as to which the administrator has made
12 inquiry, and specifically identify and state the amounts of property that may be in
13 issue.

14 (b) The administrator, at reasonable times and upon reasonable notice, may
15 examine the records of any person to determine whether the person has complied
16 with this chapter. The administrator may conduct the examination even if the
17 person believes it is not in possession of any property that must be reported, paid ~~,~~
18 or delivered under this chapter. The administrator may contract with any other
19 person to conduct the examination on behalf of the administrator.

20 (c) The administrator at reasonable times may examine the records of an agent,
21 including a dividend disbursing agent or transfer agent, of a business association or
22 financial association that is the holder of property presumed abandoned if the
23 administrator has given the notice required by subsection (b) to both the association
24 or organization and the agent at least 90 days before the examination.

1 (d) Documents and working papers obtained or compiled by the administrator,
2 or the administrator's agents, ~~employees~~ or designated representatives, in the
3 course of conducting an examination are confidential and are not public records, but
4 the documents and papers may be:

5 (1) used by the administrator in the course of an action to collect unclaimed
6 property or otherwise enforce this chapter;

7 (2) ~~used~~ in joint examinations conducted with or pursuant to an agreement with
8 another State, the federal government, or any other governmental subdivision,
9 ~~agency~~ or instrumentality;

10 (3) produced pursuant to subpoena or court order; or

11 (4) disclosed to the abandoned property office of another State for that State's
12 use in circumstances equivalent to those described in this subdivision, if the other
13 State is bound to keep the documents and papers confidential.

14 (e) If an examination of the records of a person results in the disclosure of
15 property reportable under this chapter, the administrator may assess the cost of the
16 examination against the holder at the rate of ~~1\$200~~ ⁶²⁵ a day for each examiner, or a
17 greater amount that is reasonable and was incurred, but the assessment may not
18 exceed the value of the property found to be reportable. The cost of an examination
19 made pursuant to subsection (c) may be assessed only against the business
20 association or financial organization. [reviser inserts date]

21 (f) If, after the effective date of this chapter, a holder does not maintain the
22 records required by Section 21 and the records of the holder available for the periods
23 subject to this chapter are insufficient to permit the preparation of a report, the
24 administrator may require the holder to report and pay to the administrator the
25 amount the administrator reasonably estimates, on the basis of any available

1 records of the holder or by any other reasonable method of estimation, should have
2 been but was not reported.

3 SECTION 21. RETENTION OF RECORDS.

4 (a) Except as otherwise provided in subsection (b), a holder required to file a
5 report under Section 7 shall maintain the records containing the information
6 required to be included in the report for 10 years after the holder files the report,
7 unless a shorter period is provided by rule of the administrator.

8 (b) A business association or ~~financial~~ organization that sells, issues, ~~or~~
9 provides to others for sale or issue in this ~~State~~, traveler's checks, money orders, ~~or~~
10 similar instruments other than third-party bank checks, on which the business
11 association or ~~financial~~ organization is directly liable, shall maintain a record of the
12 instruments while they remain outstanding, indicating the ~~State~~ and date of issue,
13 for ³three years.

14 SECTION 22. ENFORCEMENT. The administrator may maintain an action
15 in this or another ~~State~~ to enforce this chapter. The court may award reasonable
16 attorney's fees to the prevailing party.

17 SECTION 23. INTERSTATE AGREEMENTS AND COOPERATION; JOINT
18 AND RECIPROCAL ACTIONS WITH OTHER STATES.

19 (a) The administrator may enter into an agreement with another ~~State~~ to
20 exchange information relating to abandoned property or its possible existence. The
21 agreement may permit the other ~~State~~, or another person acting on behalf of a ~~State~~,
22 to examine records as authorized in Section 20. The administrator by rule may
23 require the reporting of information needed to enable compliance with an agreement
24 made under this section and prescribe the form.

1 (b) The administrator may join with another State to seek enforcement of this
2 chapter against any person who is or may be holding property reportable under this
3 chapter.

4 (c) At the request of another State, the attorney general of this state may
5 maintain an action on behalf of the other State to enforce, in this State, the
6 unclaimed property laws of the other State against a holder of property subject to
7 escheat or a claim of abandonment by the other State, if the other State has agreed
8 to pay expenses incurred by the attorney general in maintaining the action.

9 (d) The administrator may request that the attorney general of another State
10 or another attorney commence an action in the other State on behalf of the
11 administrator. With the approval of the attorney general of this State, the
12 administrator may retain any other attorney to commence an action in this state on
13 behalf of the administrator. this state shall pay all expenses, including attorney's
14 fees, in maintaining an action under this subsection. With the administrator's
15 approval, the expenses and attorney's fees may be paid from money received under
16 this chapter. [The administrator may agree to pay expenses and attorney's fees
17 based in whole or in part on a percentage of the value of any property recovered in
18 the action.] Any expenses or attorney's fees paid under this subsection may not be
19 deducted from the amount that is subject to the claim by the owner under this
20 chapter.

21 SECTION 24. INTEREST AND PENALTIES.

22 1270 (a) A holder who fails to report, pay, or deliver property within the time
23 prescribed by this chapter shall pay to the administrator interest at the annual rate
24 of 12 percent [two percentage points above the annual rate of discount in effect on
25 the date the property should have been paid or delivered for the most recent issue

1 of 52-week United States Treasury bills] on the property or value thereof from the
2 date the property should have been reported, paid or delivered.

3 (b) Except as otherwise provided in subsection (c), a holder who fails to report,
4 ~~pay~~ or deliver property within the time prescribed by this chapter, or fails to perform
5 other duties imposed by this chapter, shall pay to the administrator, in addition to
6 interest as provided in subsection (a), a civil penalty of ~~\$200~~ for each day the report,
7 ~~payment~~, or delivery is withheld, or the duty is not performed, up to a maximum of
8 ~~\$5,000~~.

9 (c) A holder who willfully fails to report, ~~pay~~ or deliver property within the time
10 prescribed by this chapter, or willfully fails to perform other duties imposed by this
11 chapter, shall pay to the administrator, in addition to interest as provided in
12 subsection (a), a civil penalty of ~~\$1,000~~ for each day the report, ~~payment~~ or delivery
13 is withheld, or the duty is not performed, up to a maximum of ~~\$25,000~~, plus 25
14 percent of the value of any property that should have been but was not reported.

15 (d) A holder who makes a fraudulent report shall pay to the administrator, in
16 addition to interest as provided in subsection (a), a civil penalty of ~~\$1,000~~ for each
17 day from the date a report under this chapter was due, up to a maximum of ~~\$25,000~~,
18 plus 25 percent of the value of any property that should have been but was not
19 reported.

20 (e) The administrator for good cause may waive, in whole or in part, interest
21 under subsection (a) and penalties under subsections (b) and (c), and shall waive
22 penalties if the holder acted in good faith and without negligence.

23 SECTION 25. AGREEMENT TO LOCATE PROPERTY.

24 (a) An agreement by an owner, the primary purpose of which is to locate,
25 deliver, ~~recover~~ or assist in the recovery of property that is presumed abandoned is

1 void and unenforceable if it was entered into during the period commencing on the
2 date the property was presumed abandoned and extending to a time that is 24
3 months after the date the property is paid or delivered to the administrator. This
4 subsection does not apply to an owner's agreement with an attorney to file a claim
5 as to identified property or contest the administrator's denial of a claim.

6 (b) An agreement by an owner, the primary purpose of which is to locate,
7 deliver, recover~~X~~ or assist in the recovery of property is enforceable only if the
8 agreement is in writing, clearly sets forth the nature of the property and the services
9 to be rendered, is signed by the apparent owner~~X~~ and states the value of the property
10 before and after the fee or other compensation has been deducted.

11 (c) If an agreement covered by this section applies to mineral proceeds and the
12 agreement contains a provision to pay compensation that includes a portion of the
13 underlying minerals or any mineral proceeds not then presumed abandoned, the
14 provision is void and unenforceable.

15 (d) An agreement covered by this section which provides for compensation that
16 is unconscionable is unenforceable except by the owner. An owner who has agreed
17 to pay compensation that is unconscionable, or the administrator on behalf of the
18 owner, may maintain an action to reduce the compensation to a conscionable
19 amount. The court may award reasonable attorney's fees to an owner who prevails
20 in the action.

21 (e) This section does not preclude an owner from asserting that an agreement
22 covered by this section is invalid on grounds other than unconscionable
23 compensation.

1 SECTION 26. FOREIGN TRANSACTIONS. This chapter does not apply to
2 property held, due~~x~~ and owing in a foreign country and arising out of a foreign
3 transaction.

4 SECTION 27. TRANSITIONAL PROVISIONS.

5 (a) An initial report filed under this chapter for property that was not required
6 to be reported before the effective date of this chapter but which is subject to this
7 chapter must include all items of property that would have been presumed
8 abandoned during the 10-year period next preceding the effective date of this
9 chapter~~x~~ as if this chapter had been in effect during that period.

10 (b) This chapter does not relieve a holder of a duty that arose before the effective
11 date of this chapter~~x~~ to report, pay~~x~~ or deliver property. Except as otherwise provided
12 in Section 19(b), a holder who did not comply with the law in effect before the effective
13 date of this chapter~~x~~ is subject to the applicable provisions for enforcement and
14 penalties which then existed, which are continued in effect for the purpose of this
15 section.

16 SECTION 28. RULES. The administrator may adopt~~x~~ pursuant to ~~the~~
17 ~~Administrative Procedures Act~~ rules necessary to carry out this chapter.

18 SECTION 29. UNIFORMITY OF APPLICATION AND CONSTRUCTION.
19 This chapter shall be applied and construed to effectuate its general purpose to make
20 uniform the law with respect to the subject of this chapter among States enacting it.

21 SECTION 30. SHORT TITLE. This chapter may be cited as the Uniform
22 Unclaimed Property Act (1995).

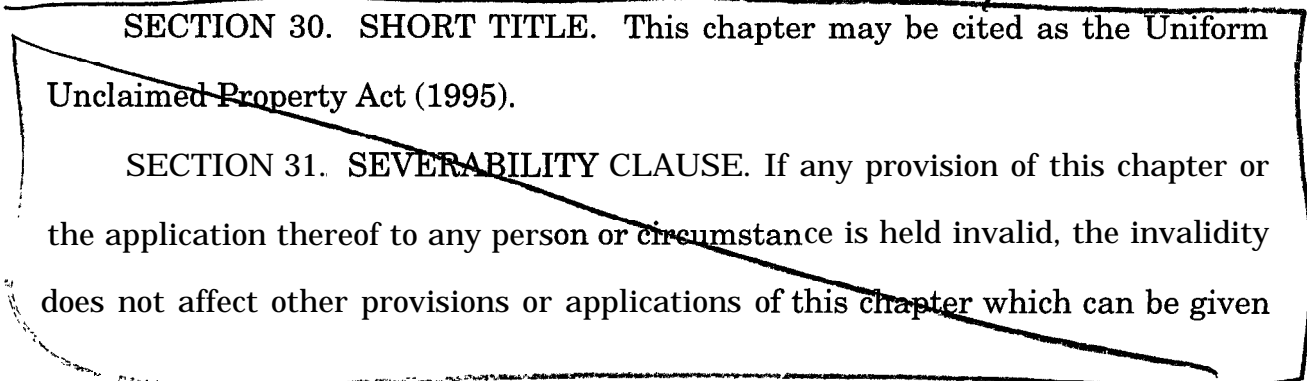
23 SECTION 31. SEVERABILITY CLAUSE. If any provision of this chapter or
24 the application thereof to any person or circumstance is held invalid, the invalidity
25 does not affect other provisions or applications of this chapter which can be given

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effect without the invalid provision or application, and to this end the provisions of this chapter are severable.

SECTION 32. EFFECTIVE DATE. This chapter takes effect

SECTION 33. REPEALS. The following acts and parts of acts are repealed:

- (a)
- (b)
- (c)

(END)

1999 DRAFTING REQUEST

Bill

Received: 12123198

Received By: **dykmapj**

Wanted: **As time permits**

Identical to LRB:

For: **Gary George (608) 266-2500**

By/Representing: **P JD**

This file may be shown to any legislator: NO

Drafter: **dykmapj**

May Contact:

Alt. Drafters:

Subject: **Fin. Inst. - banking inst.**
Fin. Inst. - miscellaneous
Fin. Inst. - securities

Extra Copies: **PJD**

Topic:

Uniform Unclaimed Property Act (1995)

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
I?	dykmapj			_____			

FE Sent For:

<END>

1997 DRAFTING REQUEST

Bill

Received: **02/8/97**

Received By: **dykmapj**

Wanted: **As time permits**

Identical to LRB:

For: **Legislative Reference Bureau**

By/Representing: **Peter Dykman**

This file may be shown to any legislator: NO

Drafter: **hubliks**

May Contact:

Alt. Drafters: **kahlepj**

Subject: **Fin. Inst. - miscellaneous**

Extra Copies: **PJD**

Pre Topic:

No specific pre topic given

Topic:

Uniform Unclaimed Property Act (1995)

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Reaured</u>
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FE Sent For:

<END>



PRELIMINARY **DRAFT-NOT** READY **FOR** INTRODUCTION

117 + 13 + 26
OK 1/29

1 **AN ACT to amend 610.61; and to repeal and recreate** chapter 177 of the
2 statutes; **relating to:** the Uniform Unclaimed Property Act and granting
3 rule-making authority.

Analysis by the Legislative Reference Bureau

~~This is a preliminary draft. An analysis will be provided in a later version.~~
This bill adopts the Uniform Unclaimed Property Act (1995), which was approved by the National Conference of Commissioners on Uniform State Laws in 1995.

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:

4 **SECTION 1.** Chapter 177 of the statutes is repealed and recreated to read:

5 **CHAPTER 177**
6 **UN-IFORM UNCLAIMED PROPERTY ACT**

7 **177.01 Definitions.** In this chapter:

(177.13)

Except as provided in A - 410.08(e), 800.095(7m), 852.01(3),

863.27
(2)
and
863.39

1 (k) Property held by a court, government, governmental subdivision, agency or
2 instrumentality, one year after the property becomes distributable.

3 (L) Wages or other compensation for personal services, one year after the
4 compensation becomes payable.

5 (m) Deposit or refund owed to a subscriber by a utility, one year after the deposit
6 or refund becomes payable.

7 -- (n) Property in an individual retirement account, defined benefit plan or other
8 account or plan that is qualified for tax deferral under the income tax laws of the
9 United States, 3 years after the earliest of the date of the distribution or attempted
10 distribution of the property, the date of the required distribution as stated in the plan
11 or trust agreement governing the plan, or the date, if determinable by the holder,
12 specified in the income tax laws of the United States by which distribution of the
13 property must begin in order to avoid a tax penalty.

14 (o) All other property, 5 years after the owner's right to demand the property
15 or after the obligation to pay or distribute the property arises, whichever first occurs.

16 (2) At the time that an interest is presumed abandoned under sub. (1), any
17 other property right accrued or accruing to the owner as a result of the interest, and
18 not previously presumed abandoned, is also presumed abandoned.

19 (3) Property is unclaimed if, for the applicable period set forth in sub. (l), the
20 apparent owner has not communicated in writing or by other means reflected in a
21 contemporaneous record prepared by or on behalf of the holder, with the holder
22 concerning the property or the account in which the property is held, and has not
23 otherwise indicated an interest in the property. A communication with an owner by
24 a person other than the holder or its representative who has not in writing identified
25 the property to the owner is not an indication of interest in the property by the owner.

(bold - 13 -
(1d) Except as provided in sub. (1m),

1 (7) The holder of property presumed abandoned shall file with the report an
2 affidavit stating that the holder has complied with sub. (5).

3 **177.18 Notice and publication of lists of abandoned property. (1)** The
4 administrator shall publish a notice not later than November 30 of the year next
5 following the year in which abandoned property has been paid or delivered to the
6 administrator. ~~The~~ notice must be published as a class 1 notice under ch. 985 in a
7 newspaper of general circulation in the county of this state in which is located the
8 last-known address of any person named in the notice. If a holder does not report
9 an address for the apparent owner, or the address is outside this state, the notice
10 must be published in the county in which the holder has its principal place of
11 business within this state or another county that the administrator reasonably
12 selects. The advertisement must be in a form that, in the judgment of the
13 administrator, is likely to attract the attention of the apparent owner of the
14 unclaimed property. The form must contain all of the following:

15 (a) The name of each person appearing to be the owner of the property, as set
16 forth in the report filed by the holder.

17 (b) The last-known address or location of each person appearing to be the
18 owner of the property, if an address or location is set forth in the report filed by the
19 holder.

20 (c) A statement explaining that property of the owner is presumed to be
21 abandoned and has been taken into the protective custody of the administrator.

22 (d) A statement that information about the property and its return to the owner
23 is available to a person having a legal or beneficial interest in the property, upon
24 request to the administrator.

(1m) Same as 177.18 (2)(d)

1 this chapter. The administrator may agree to pay expenses and attorney's fees based
2 in whole or in part on a percentage of the value of any property recovered in the
3 action. Any expenses or attorney's fees paid under this subsection may not be
4 deducted from the amount that is subject to the claim by the owner under this
5 chapter.

6 **177.34 Interest and ~~taxes~~ penalties.** (1) A holder who fails to report, pay or deliver
a 7 property within the time prescribed by this chapter shall pay to the administrator
8 interest at the annual rate of 18% on the property or value thereof from the date the
9 property should have been reported, paid or delivered.

10 (2) Except as otherwise provided in sub. (3), a holder who fails to report, pay
11 or deliver property within the time prescribed by this chapter, or fails to perform
12 other duties imposed by this chapter, shall pay to the administrator, in addition to
13 interest as provided in sub. (1), a civil penalty of \$200 for each day the report,
14 payment or delivery is withheld, or the duty is not performed, up to a maximum of
15 \$5,000.

16 (3) A holder who wilfully fails to report, pay or deliver property within the time
17 prescribed by this chapter, or wilfully fails to perform other duties imposed by this
18 chapter, shall pay to the administrator, in addition to interest as provided in sub. (1),
19 a civil penalty of \$1,000 for each day the report, payment or delivery is withheld, or
20 the duty is not performed, up to a maximum of \$25,000, plus 25% of the value of any
21 property that should have been but was not reported.

22 (4) A holder who makes a fraudulent report shall pay to the administrator, in
23 addition to interest as provided in sub. (1), a civil penalty of \$1,000 for each day from
24 the date a report under this chapter was due, up to a maximum of \$25,000, plus 25%
25 of the value of any property that should have been but was not reported.

of this state

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177.41 Escheat of property to municipalities. If a statute provides for the escheat of abandoned or unclaimed property to a county, city, village or town, this chapter does not apply.

to the property

SECTION 2. 610.61 of the statutes is amended to read:

610.61 Duty of life insurers to report abandoned property, An insurer doing a life insurance business shall report under s. 177.17 any property presumed abandoned under s. ~~177.07~~ 177.62 (1)(h).

(END)

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SECTION 1. 177.13 of the statutes is amended to read:

177.13 Property held by courts and public agencies. Except as provided in ss. 40.08 (8), 800.095 (7m), 852.01 (3), 863.37 (2) and 863.39, intangible property held for the owner by a court, state or other government, governmental subdivision or agency, public corporation or public authority that remains unclaimed by the owner for more than one year after it became payable or distributable is presumed abandoned.

History: 1983 a. 408; 1995 a. 27.

SECTION 2. 40.08 (8) of the statutes is amended to read:

40.08 (8) ABANDONMENT. (a) Benefits provided under this chapter shall be considered abandoned as follows:

1. Any potential primary beneficiary under s. 40.02 (8), other than an estate, who has not applied for any benefit payable under this chapter as a result of the death of the participant and whom the department cannot locate by reasonable efforts, as determined by the department by rule, within one year after the death of the participant shall be presumed to have predeceased the participant and all other potential beneficiaries. Thereafter, if the department is unable to locate any resulting subsequent beneficiary within 6 months, all beneficiaries under s. 40.02 (8) (a) 1. and 2. shall be presumed to have predeceased the participant and the

1 department shall pay all benefits payable under this chapter as a result of the death
2 of the participant to the participant's estate in a lump sum.

3 2. If an estate that is determined by the department to be a beneficiary is closed
4 prior to the payment of benefits payable under this chapter as a result of the death
5 of the participant and the estate is not reopened within 6 months after the
6 department notifies the estate that a benefit is payable, the benefit shall be
7 considered irrevocably abandoned and shall be transferred to the employer
8 accumulation reserve, unless the estate was the designated beneficiary under s.
9 40.02 (8) (a) 1.

10 2m. If the estate was the designated beneficiary under s. 40.02 (8) (a) 1. and
11 the estate is closed prior to the payment of benefits payable under this chapter as a
12 result of death of the participant and the estate is not reopened within 6 months after
13 the department notifies the estate that a benefit is payable, the department shall pay
14 the benefit to a beneficiary as determined under s. 40.02 (8) (a) 2. If the department
15 is unable to locate any such beneficiary within 6 months, all such beneficiaries shall
16 be presumed to have predeceased the participant and the benefit shall be considered
17 irrevocably abandoned and shall be transferred to the employer accumulation
18 reserve.

19 3. A participant, other than a participating employe or annuitant, whom the
20 department cannot locate by reasonable efforts, with such efforts beginning by the
21 end of the month in which the participant attains, or would have attained, the age
22 of 65, shall be considered to have abandoned all benefits under the Wisconsin
23 retirement system on the date on which the participant attains, or would have
24 attained, the age of 70. The department shall close the participant's account and
25 shall transfer the moneys in the account to the employer accumulation reserve. The

1 department shall restore the participant's account and shall debit the employer
2 accumulation reserve accordingly if the participant subsequently applies for
3 retirement benefits under this chapter before attaining the age of 80.

4 4. The former spouse of a participant who is an alternate payee and whom the
5 department cannot locate by reasonable efforts, with such efforts beginning by the
6 end of the month in which the participant attains, or would have attained, the age
7 of 65, shall be considered to have abandoned all benefits under the Wisconsin
8 retirement system on the date on which the participant attains, or would have
9 attained, the age of 70. The department shall close the alternate payee's account and
10 shall transfer the moneys in the account to the employer accumulation reserve. The
11 department shall restore the alternate payee's account and shall debit the employer
12 accumulation reserve accordingly if the alternate payee subsequently applies for
13 retirement benefits under this chapter before the participant attains or would have
14 attained the age of 80.

15 5. All presumptions under this paragraph are conclusive upon payment of the
16 benefit payable under this chapter as a result of the death of the participant to any
17 qualifying person, estate or entity other than the employer accumulation reserve.

18 (b) All moneys or credits in an account for a person presumed to have died
19 intestate, without heirs or beneficiary, or to be abandoned by the person under par.
20 (a) shall be applied, at the end of the 5th calendar year in which notice is published
21 under par. (c), to the employer accumulation reserve to reduce future funding
22 requirements.

23 (c) The department shall publish a class 1 notice, under ch. 985, in the official
24 state paper stating the names of persons presumed to have died intestate, without
25 heirs or beneficiary, or whose accounts are presumed to be abandoned under par. (a),

1 and the fact that a benefit will be paid, if applied for within the time limits under par.
2 (a) and if the participant, alternate payee or other person offers proof satisfactory to
3 the department that the participant, alternate payee or other person is entitled to
4 the benefit. Such proof shall include, but is not limited to, evidence that the
5 participant died and that the person is the beneficiary under s. 40.02 (8).

6 (d) If any person files a claim within 10 full calendar years after the publication
7 of the notice under par. (c) and furnishes proof of ownership of any amounts in an
8 inactive account the claim shall be paid on the same basis as if no action had been
9 taken under this section. The cost of the benefit shall be charged to the employer
10 account credited under par. (b).

11 (e) Notwithstanding any other provision of the statutes any account subject to
12 this subsection may, at the discretion of the department, be settled by any heirs of
13 a deceased participant or beneficiary making application, on a form approved by the
14 department, certifying the names of any other persons not known by the applicants
15 to be deceased and known by the applicants to have an equal or superior claim to the
16 account and certifying that the applicants have no knowledge of the whereabouts of
17 any of the persons so named.

18 (f) Publication under par. (c) is not required if the present value of the benefit
19 to which a person would have been entitled on attainment of age 70 is less than \$100,
20 in the calendar year of 1982 or, in each calendar year commencing after January 1,
21 1982, the applicable amount under this paragraph for the previous calendar year
22 increased by the salary index for that year and ignoring any fraction of a dollar. The
23 provisions of this subsection apply to inactive accounts subject to this paragraph as
24 if publication had been made in the year the person would have attained age 70.

1 **SECTION 3. 800.095 (7m)** of the statutes is amended to read:

2 800.095 (7m) **TRANSFER OF UNCLAIMED MONEY**. In addition to the procedures
3 under this section, a municipal court may order the transfer of any of the defendants
4 money that the municipality is holding and that is unclaimed by the defendant for
5 more than one year to pay any forfeitures that the defendant failed to pay the
6 municipality.

History: 1987 a. 389; 1987 a. 399 s.494u; 1989 a 31; 1991 a. 40; 1995 a 27; 1997 a 84.250.

7 **SECTION 4. 852.01 (3)** of the statutes is-amended to read:

8 852.01 (3) **ESCHEAT**. If there are no heirs of the decedent under subs. (1) and
9 (2), the net estate escheats to the state to be added to the capital of the school fund.

History: 1977 c. 214,449; 1981 c. 228; 1983 a. 186; 1985 a. 37; 1987 a 222; 1987 a. 393 s. 53; 1991 a. 224; 1993 a. 486; 1997 a. 188.

10 **SECTION 5. 863.37 (2)** of the statutes is amended to read:

11 863.37 (2) (a) Whenever payment of a legacy or a distributive share cannot be
12 made to the person entitled to payment or it appears that the person may not receive
13 or have the opportunity to obtain payment, the court may, on petition of a person
14 interested or on its own motion, order that the funds be paid or delivered to the state
15 treasurer for deposit as provided under s. 177.23. Claims on the funds may be made
16 under s. 863.39 within 10 years after the date of publication under s. 177.18. When
17 a claimant to the funds resides outside the United States or its territories the court
18 may require the personal appearance of the claimant before the court.

19 (b) Notwithstanding par. (a), whenever moneys arising from an unclaimed
20 legacy or unclaimed intestate property have been deposited with the state treasurer
21 on or after April 1, 1971, but before April 30, 1980, claims may be made for the
22 property under s. 863.39 within 10 years after April 30, 1980.

History: 1977 c. 449; 1979 c. 221; 1983 a 408; 1997 a. 188.

23 **SECTION 6. 863.39** of the statutes is amended to read:

1 **863.39 Escheats. (1) GENERALLY.** If any legacy or intestate property is not
2 claimed by the distributee within 120 days after entry of final judgment, or within
3 the time designated in the judgment, it shall be converted into money as close to the
4 inventory value as possible and paid to the state treasurer for deposit as provided
5 under s. 177.23. Claims for the money shall be made under sub. (3).

6 **(2) FOREIGN DISTRIBUTE.** If notice is given to a distributee domiciled in a foreign
7 country under s. 879.03 and the distributee is not heard from within 120 days after
8 entry of final judgment of distribution, or within a longer time designated in the
9 judgment, the property which the distributee would take shall not escheat, but shall
10 descend as intestate property.

11 **(3) RECOVERY OF MONEY FROM STATE TREASURER.** (a) Within 10 years after the
12 date of publication under s. 177.18, any person claiming any amount deposited under
13 sub. (1) may file in the probate court in which the estate was settled a petition
14 alleging the basis of his or her claim. The court shall order a hearing upon the
15 petition, and 20 days' notice of the hearing and a copy of the petition shall be given
16 by the claimant to the department of revenue and to the attorney general, who may
17 appear for the state at the hearing. If the claim is established it shall be allowed
18 without interest, but including any increment which may have occurred on securities
19 held, and the court shall so certify to the department of administration, which shall
20 audit the claim. The state treasurer shall pay the claim out of the appropriation
21 under s. 20.585 (1) (j). Before issuing the order distributing the estate, the court shall
22 issue an order determining the death tax due, if any. If real property has been
23 adjudged to escheat to the state under s. 852.01 (3) the probate court which made the
24 adjudication may adjudge at any time before title has been transferred from the state
25 that the title shall be transferred to the proper owners under this subsection.

1 (b) No ~~withs~~ ~~and~~ing par. (a), whenever moneys arising from an unclaimed
 2 legacy or unclaimed intestate property have been deposited with the state treasurer
 3 on or after April 1, 1971, but before April 30, 1980, claims may be made for the
 4 property under this section within 10 years after April 30, 1980.

5 History: 1979 c. 221; 1983 a. 408; 1987 a 27 s. 3200 (47); 1993 a. 486.

SECTION 7. 177.18 (2) (d) of the statutes is amended to read:

6 177.18 (2) (d) For money or other property received under s. 852.01 (3), 863.37
 7 (2) or 863.39 (l), the notice shall be published in the official state newspaper and
 8 shall include the name of the decedent, the time and place of the decedent's death,
 9 the amount paid to the administrator, the name of the decedent's personal
 10 representative, the county in which the estate is probated and a statement that the
 11 money will be paid to the heirs or legatees without interest, on proof of ownership,
 12 if claimed within 10 years from the date of publication as provided in s. 863.39 (3).

13 History: 1983 a. 408; 1991 a. 39,299.

SECTION 8. 177.18 (1) of the statutes is amended to read:

14 177.18 (1) The administrator shall publish a notice entitled "Notice of names
 15 of persons appearing to be owners of abandoned property" not later than the
 16 September 20 following the report required under s. 177.17. Except as provided in
 17 sub. (lm), the notice shall include the name of each person identified in a report filed
 18 under s. 177.17 since the publication of the previous notice. The administrator shall
 19 publish the notice as a class 1 notice under ch. 985, in a newspaper of general
 20 circulation in the county in which is located the last-known address of the person to
 21 be named in the notice. If no address is listed or the address is outside this state, the
 22 notice shall be published in the county in which the holder of the property has its
 23 principal place of business within this state.

24 History: 1983 a. 408; 1991 a. 39,299.

SECTION 9. 177.18 (lm) of the statutes is amended to read:

1 177.18 **(lm)** If the address of a person to be named in a notice under sub. (1)
2 is outside this state, and if the administrator has entered into an agreement under
3 s. 177.33 (1) with the state in which the address is located, the administrator may
4 omit the information specified in sub. (2) with respect to that person from the notice
5 published under sub. (1).

History: 1983 a 408; 1991 a 39,299.

OCTOBER 18, 1999

****NOTE: These are the nonuniform amendments to current ch. 177 that are also nonuniform to the new uniform act.

1 SECTION 1. 177.06 (lm) (a) of the statutes is amended to read:

2 177.06 (1m) (a) On and after December 31, 1984, any correspondence in
3 writing from a banking or financial organization to the owner, such as the mailing
4 of a statement, report of interest paid or credited or other written advice relating to
5 a deposit, means that the owner has indicated an interest in the deposit under sub.
6 (l), if the correspondence is not returned to the banking or financial organization for
7 nondelivery and if the banking or financial organization maintains a record of all
8 such returned correspondence. If correspondence is returned, the deposit is
9 presumed abandoned unless the owner has, within 5 years after the return,
10 undertaken at least one of the activities specified in sub. (1) (a) to (e).

****NOTE: 1983 WA 408 added this subsection.

History: 1983 a. 408; 1987 a. 399.

11 SECTION 2. 177.06 (3) of the statutes is amended to read:

12 177.06 (3) With respect to property described in sub. (l), a holder shall not do
13 any of the following:

14 (a) Impose a charge during a period of dormancy or inactivity which exceeds
15 the charge regularly imposed by that holder on that class of account, or cease
16 payment of interest during such a period solely because of dormancy or inactivity.

17 (b) Assess a service charge after December 31 of the 2nd calendar year covered
18 in the report filed under s. 177.17 concerning that property.

****NOTE: 1983 WA 408 substituted this subsection for the version in the uniform act. The new act in 177.09 covers the same subject somewhat differently.

History: 1983 a. 408; 1987 a. 399.

19 SECTION 3. 177.17 (4) of the statutes is amended to read:

1 177.17 (4) Before May 1 of each even-numbered year, each holder shall file a
2 report covering the 2 previous calendar years. On written request by any person
3 required to file a report, the administrator may postpone the reporting date.

****NOTE: 1983 WA 408 created a two-year filing period and switched it to even-numbered.

History: 1983 a. 408; 1987 a. 399.

4 **SECTION 4.** 177.18 (1) of the statutes is amended to read:

5 177.18 (1) The administrator shall publish a notice entitled "Notice of names
6 of persons appearing to be owners of abandoned property" not later than the
7 September 20 following the report required under s. 177.17. Except as provided in
8 sub. (1m), the notice shall include the name of each person identified in a report filed
9 under s. 177.17 since the publication of the previous notice. The administrator shall
10 publish the notice as a class 1 notice under ch. 985, in a newspaper of general
11 circulation in the county in which is located the last-known address of the person to
12 be named in the notice. If no address is listed or the address is outside this state, the
13 notice shall be published in the county in which the holder of the property has its
14 principal place of business within this state.

****NOTE: 1991 WA 39 inserted the sentence beginning with "Except" and created sub. (1m).

History: 1983 a. 408; 1991 a. 39,299.

15 **SECTION 5.** 177.18 (1m) of the statutes is amended to read:

16 177.18 (1m) If the address of a person to be named in a notice under sub. (1)
17 is outside this state, and if the administrator has entered into an agreement under
18 s. 177.33 (1) with the state in which the address is located, the administrator may
19 omit the information specified in sub. (2) with respect to that person from the notice
20 published under sub. (1).

****NOTE: Created by 1991 WA 299.

History: 1983 a. 408; 1991 a. 39,299.

21 **SECTION 6.** 177.20 (7) of the statutes is amended to read:

1 177.20 (7) Property removed from a safe deposit box or other safekeeping
 2 repository is received by the administrator subject. to the holder's right to be
 3 reimbursed for the actual cost of the opening and to any valid lien or contract
 4 providing for the holder to be reimbursed for unpaid rent or storage charges and
 5 subject to any 3rd party lien. The administrator shall reimburse the holder from the
 6 proceeds remaining after deducting the administrator's selling cost.

*****NOTE:** 1983 WA 408 added "and subject to any 3rd party hen".

History: 1983 a. 408; 1993 a. 246.

7 **SECTION 7.** 177.23 (1) of the statutes is amended to read:

8 177.23 (1) Except as provided in sub. (2), the administrator shall deposit in the
 9 school fund all funds received under this chapter, including the clear proceeds from
 10 the sale of abandoned property under s. 177.22. Before making the deposit, the
 11 administrator shall record the name and last-known address of each person
 12 appearing from the holders' reports to be entitled to the property and the name and
 13 last-known address of each insured person or annuitant and beneficiary and, with
 14 respect to each policy or contract listed in the report of an insurance company, its
 15 number, the name of the company and the amount due. The information recorded
 16 by the administrator under this subsection is not available for inspection or copying
 17 under s. 19.35 (1) until 24 months after payment or delivery of the property is due
 18 under s. 177.19 (1).

*****NOTE:** 1987 WA 399 substituted the last sentence for one that made this
 information public immediately. The new act does not have the last sentence in any form.

History: 1983 a. 408; 1987 a. 399.

19 **SECTION 8.** 177.29 (1) of the statutes is amended to read:

20 177.29 (1) The expiration, before, on or after December 31, 1984, of any period
 21 of time specified by contract, statute or court order, during which an owner may make
 22 a claim for money or property or during which an owner may commence or enforce

1 an action or proceeding to obtain payment of a claim for money or to recover property,
2 does not prevent the money or property from being presumed abandoned or affect
3 any duty to file a report or to pay or deliver abandoned property to the administrator
4 as required by this chapter, subject to sub. (2).

****NOTE: 1983 WA 408 changed “during which a claim for money can be made” to
“an owner may make” ; and changed may be commenced or enforced” to “an owner may
commence”.

History: 1983 a. 408; 1991 a. 299.

5 **SECTION 9.** 177.29 (2) of the statutes is amended to read:

6 177.29 (2) (a) Except as provided in par. (b), no civil action or proceeding with
7 respect to any duty of a holder under this chapter may be commenced more than 5
8 years after the duty arose.

9 (b) The expiration of any period of time during which an action or proceeding
10 may be commenced or enforced to obtain payment of a claim for money or to recover
11 property may not serve as a defense to an action or proceeding brought by or on behalf
12 of the administrator against a governmental entity, or an officer or employe thereof,
13 for the payment or delivery of abandoned property to the administrator or for the
14 enforcement of a penalty.

****NOTE: 1983 WA 408 changed 10 to 5 and 1991 WA 299 added cross reference to
par. (b).

History: 1983 a. 408; 1991 a. 299.

15 **SECTION 10.** 177.29 (2) (b) of the statutes is amended to read:

16 177.29 (2) (b) The expiration of any period of time during which an action or
17 proceeding may be commenced or enforced to obtain payment of a claim for money
18 or to recover property may not serve as a defense to an action or proceeding brought
19 by or on behalf of the administrator against a governmental entity, or an officer or
20 employe thereof, for the payment or delivery of abandoned property to the
21 administrator or for the enforcement of a penalty.

****NOTE: Created by 1991 WA 299.

History: 1983 a. 408; 1991 a. 299.

1 **SECTION 11.** 177.30 (1) of the statutes is amended to read:

 ****NOTE: 1983 WA 408 deleted sub. (1) (and inserted into sub. (2) the second sentence). Subsection (1) read: “(1) The administrator may require any person who has not filed a report to file a verified report stating whether or not the person is holding any unclaimed property reportable or deliverable under this chapter.”

History: 1983 a. 408; 1995 a. 27.

2 **SECTION 12.** 177.30 (2) of the statutes is amended to read:

3 177.30 (2) The administrator, at reasonable times and upon reasonable notice,
4 may examine the records of any person to determine whether the person has
5 complied with this chapter. The administrator may designate the division of banking
6 or other appropriate regulatory authority to examine the records of regulated
7 institutions to determine if the institutions have complied with this chapter. The
8 administrator may conduct the examination even if the person believes it is not in
9 possession of any property reportable or deliverable under this chapter.

 ****NOTE: 1983 WA 408 inserted the second sentence. 1995 WA 27 changed the reference to the division of banking from its previous name.

History: 1983 a. 408; 1995 a. 27.

10 **SECTION 13.** 177.30 (5) of the statutes is amended to read:

11 177.30 (5) If a holder, after December 31, 1984, fails to maintain the records
12 required under s. 177.31, and the records of the holder available for the periods
13 subject to this chapter are insufficient to permit the preparation of a report, a court
14 may determine the liability of such holder based on the court’s findings as to a
15 reasonable estimate of the amount due.

 ****NOTE: 1983 WA408 substituted last phrase for “the administrator may require the holder to report and pay any amount that may reasonably be estimated from any available records”.

History: 1983 a. 408; 1995 a. 27.

16 **SECTION 14.** 177.31 (1) of the statutes is amended to read:

17 **177.31 (1)** Every holder required to file a report under s. 177.17 shall, as to any
18 property for which it has obtained the last-known address of the owner, maintain a

1 record of the name and last-known address of the owner for 5 years after the property
2 is reported, unless a shorter time is provided in sub. (2) or by rule of the
3 administrator.

****NOTE: 1983 WA 408 changed 10 years to 5 years. That act (and the new act)
changed "becomes reportable" to "is reported".

History: 1983 a. 408.

4 **SECTION 15.** 177.32 of the statutes is amended to read:

5 **177.32 Enforcement.** The attorney general may bring an action in circuit
6 court or in federal court to enforce this chapter.

****NOTE: 1991 WA 299 inserted or in federal court. The new act replaces attorney
general with administrator and doesn't specify in which court that action must be
maintained.

History: 1983 a. 408; 1991 a 299.

7 **SECTION 16.** 177.35 of the statutes is amended to read:

8 **177.35 Agreement to locate reported property. (1)** Except for agreements
9 made under s. 177.33, if a person agrees, for compensation and on behalf of the owner
10 of property reported under s. 177.17, to locate, deliver, recover or assist in the
11 recovery of the reported property, the agreement shall be in writing and shall include
12 all of the following:

- 13 (a) A description of the property and the value of the property
- 14 (b) A clear and prominent statement of the fee or other compensation to be paid
15 by or on behalf of the owner, which may not exceed 20% of the actual value of the
16 property recovered.
- 17 (c) A clear and prominent statement disclosing the name and address of the
18 holder and whether the property has been paid to the administrator.
- 19 (d) The notarized signature of the owner.

1 (2) An agreement entered into under this section is not enforceable if the
 2 agreement is entered into within 24 months after payment or delivery of the property
 3 is due under s. 177.19 (1).

NOTE: 1987 WA 399 repealed and recreated the section. Before that, it read:
“177.35 Agreement to locate reported property. Except for agreements made under
 s. 177.33, an agreement to pay compensation to recover or assist in the recovery of
 property reported under s. 177.17, made within 24 months after the date payment or
 delivery is made under s. 177.19, is unenforceable.”

History: 1983 a. 408; 1987 a. 399.

4 **SECTION 17.** 177.41 of the statutes is amended to read:

5 **177.41 Escheat of property to municipalities.** If any statute provides for
 6 the escheat of abandoned or unclaimed property to a county, city, village or town, this
 7 chapter does not apply to that property.

NOTE: 1983 WA 408 added this exemption. It needs the undercored material to
 clarify it.

History: 1983 a. 408.

1 1. Communicated in writing with the ranking or financial
2 organization.

3 2. Otherwise indicated an interest as evidenced by a memorandum or
4 other record on file prepared by an employee of the banking or financial
5 organization and if the banking or financial organization communicates in
6 writing with the owner with regard to the property **that** would otherwise be
7 abandoned under this subsection at the address to which communications
8 regarding the other relationship regularly are sent.

197.06

~~insert (B)~~

9) For purposes of sub. (1), property includes interest and
10 dividends.

~~insert (D)~~

11 ~~(3) A holder may not impose, with respect to property described in
12 sub. (1), any charge due to dormancy or inactivity or cease payment of
13 interest unless all of the following exist:~~

14 (a) There is an enforceable written contract between the holder and
15 the owner of the property pursuant to which the holder may impose a charge
16 or cease payment of interest.

17 (b) For property in excess of \$5, the holder, no more than 3 months
18 before the initial imposition of those charges or cessation of interest,
19 has given written notice to the owner of the amount of those charges at
20 the last-known address of the owner stating that those charges will be
21 imposed or that interest will cease, but the notice provided in this
22 subsection need not be given with respect to charges imposed or interest
23 ceased before the effective date of this chapter (1983).

24 (c) The holder regularly imposes those charges or ceases payment of
25 interest and does not regularly reverse or otherwise cancel them or retro-
26 actively credit interest with respect to the property.

27 (4) Any property described in sub. (1) that is automatically renew-
28 able is matured for purposes of sub. (1) upon the expiration of its ini-

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⑤ ¶ (3) With respect to property described in sub. (1), a holder shall not impose a charge during a period of dormancy or inactivity which exceeds the regular charge that otherwise could be imposed on that class of account, and shall not cease payment of interest during such a period solely because of dormancy or inactivity.

Page 12
Part (B)

On and after the effective date of this subsection (1983),

page 12
part (B)

(1m) Any correspondence in writing from a banking or financial organization to the owner, such as the mailing of a statement, report of interest paid or credited or other written advice relating to a deposit, shall be construed to mean that the owner has indicated an interest in the deposit under sub. (1), unless the correspondence is returned to the banking or financial organization for nondelivery. If correspondence is returned, the deposit is presumed abandoned unless the owner has, within 5 years after the return, undertaken at least one of the activities specified in sub. (1)(a) to (e). ~~Banking and financial organizations shall~~

and if the banking or financial organization maintains a record of all ^{such} returned correspondence.

1 (2) No civil action or proceeding with respect to any duty of a
2 holder under this chapter may be commenced more than ⁵ years after the
3 duty arose.

4 177.30 REQUESTS FOR REPORTS AND EXAMINATION OF RECORDS. (1) ~~The~~
5 ~~administrator may require any person who has not filed a report to file a~~
6 ~~verified report stating whether or not the person is holding any unclaimed~~
7 ~~property reportable or deliverable under this chapter.~~

8 (2) The administrator, at reasonable times and upon reasonable
9 notice, may examine the records of any person to determine whether the
10 person has complied with this chapter. ^{insert A 3/2/83} The administrator may conduct the
11 examination even if the person believes it is not in possession of any
12 property reportable or deliverable under this chapter.

13 (3) If a person is treated under s. 177.12 as the holder of the prop-
14 erty only insofar as the interest of the business association in the prop-
15 erty is concerned, the administrator may examine the records of the person
16 as provided under sub. (2) if the administrator has given the required
17 notice to both the person and the business association at least 90 days
18 before the examination.

19 (4) If an examination of the records of a person results in the
20 disclosure of property reportable and deliverable under this chapter, the
21 administrator may assess the cost of the examination against the holder at
22 the rate of \$150 a day for each examiner, but the charges may not exceed
23 the value of the ^{C.} property found to be reportable and deliverable. The
24 cost of examination under sub. (3) may be imposed only against the busi-
25 ness association.

26 (5) If a holder, after the effective date of this chapter (1983),
27 fails to maintain the records required under s. 177.31, and the records of
28 the holder available for the periods subject to this chapter are insuffi-

33-
Liability of such holder based on the court's finding as to a reasonable estimate of the amount due.

1 cient to permit the preparation of a report, ~~the administrator may require~~
2 ~~the holder to report and pay any amount that may reasonably be estimated~~
3 ~~from any available records.~~

4 17.31 RETENTION OF RECORDS. (1) Every holder required to file a
5 report under s. 177.17 shall, AS to an' property for which it has obtained
6 the last-known address of the owner, maintain a record of the name and
7 last-known address of the owner for, ⁵ ~~M~~ months after the property ^{is reported} ~~is reported~~ ^{second} ~~is reported~~ X
8 reportable, unless A shorter time is provided in sub. (2) or by rule of
9 the administrator.

10 (2) Any business association that sells in this state its travelers
11 checks, money orders or other similar written instruments, other than 3rd
12 party bank checks on which the business association is directly liable, or
13 that provides such instruments to others for sale in this state, shall,
14 for 3 years after the date the property is reportable, maintain A record
15 of those instruments while they remain outstanding, indicating the state
16 and date of issue.

17 177.32 ENFORCEMENT. The attorney genera?. may bring an action in the
18 circuit court to enforce this chapter.

19 177.33 INTERSTATE AGREEMENTS AND COOPERATION; JOINT AND RECIPROCAL
20 ACTIONS WITH OTHER STATES. (1) The administrator may enter into agree-
21 ments with other states to exchange information needed to enable this or
22 another state to audit or otherwise determine unclaimed property that it
23 or another state may be entitled to subject to A claim of custody. The
24 administrator may by rule require the reporting of information needed to
25 enable compliance with agreements made under this section and may pre-
26 scribe the form of the required reports.

27 (2) To void conflicts between the administrator's proced..res and the
28 procedures of administrators in other jurisdictions that enact the uniform

1 177.27 ELECTION TO TAKE PAYMENT OR DELIVERY. (1) The administrator
 2 may decline to receive any property reported under this chapter if the
 3 administrator considers the property to have a value that is less than the
 4 anticipated expense of notice and sale. If the administrator elects not
 5 to receive custody of the property, the holder shall be notified within
 6 120 days after filing the report required under s. 177.17.

7 (2) A holder may report and deliver property before the property is
 8 presumed abandoned with the written consent of the administrator and upon
 9 the conditions and terms prescribed by the administrator. Property deliv-
 10 ered under this subsection shall be held by the administrator and is not
 11 presumed abandoned until the time it would be presumed abandoned under
 12 this chapter.

13 177.28 DESTRUCTION OR DISPOSITION OF PROPERTY HAVING INSUBSTANTIAL
 14 COMMERCIAL VALUE. IMMUNITY FROM LIABILITY. If the administrator deter-
 15 mines after investigation that any property delivered under this chapter
 16 has insubstantial commercial value, the administrator may destroy or
 17 otherwise dispose of the property at any time. No action or proceeding
 18 may be maintained against this state or any of its officers or against the
 19 holder for or on account of any action taken by the administrator unde-
 20 r this section.

21 177.29 PERIODS OF LIMITATION. (1) The expiration, ~~before, on~~ ^{STET}
 22 after the effective date of this chapter (1983), of any period of time
 23 specified by contract, statute or court order, during which ^{an owner may} a claim for
 24 money or property ~~can be made~~ or during which ^{an owner may commence or} an action or proceeding ~~is~~
 25 ~~be commenced or referred~~ to obtain payment of a claim for money or
 26 real or personal property, does not prevent the money or property from being pre-
 27 sumed abandoned or affect any duty to file a report or to pay or deliver
 28 abandoned property to the administrator as required by this chapter.

*subject to
 sub (2)*

page 32
insert A

72A

The administrator may designate the commissioner of banking or other appropriate regulatory authority to examine the records of regulated institutions to determine if the institutions have complied with this chapter.

~~(2) The initial report filed under this chapter for property that was not required to be reported before the effective date of this chapter (1983), but which is subject to this chapter, shall include all items of property that would have been presumed abandoned during the 10-year period preceding the effective date of this chapter (1983) as if this chapter had been in effect during that period.~~

177.38 RULES. The administrator may adopt any rules necessary to administer this chapter.

177.40 UNIFORMITY OF APPLICATION AND CONSTRUCTION. This chapter shall be applied and construed to effectuate its general purpose to make uniform the law with respect to the subject of this chapter among states enacting it.

177.41 ESCHEAT OF PROPERTY TO MUNICIPALITIES. If any statute provides for the escheat of abandoned or unclaimed property to a county, city, village or town, this chapter does not apply.

SECTION 7. 180.755 of the statutes is repealed and recreated to read:

180.785 UNCLAIMED ASSETS. Assets distributable in the course of a voluntary or involuntary dissolution that remain unclaimed after one year shall be reported and delivered to the state treasurer as provided under ch. 117.

SECTION 8. 185.75 of the statutes is repealed and recreated to read:

185.75 UNCLAIMED ASSETS. Assets distributable in the course of the liquidation of a cooperative that remain unclaimed after one year shall be reported and delivered to the state treasurer as provided under ch. 117.

SECTION 9. 186.29 (13) (c) of the statutes is amended to read:

186.29 (133) (c) After one year from the time of the order for final distribution, the commissioner shall report and deliver to the state treasurer all unclaimed funds shall be turned over to the state treasury by

36
9(2) The initial report filed under this chapter after the effective date of this chapter (1983), shall include all items of property subject to this chapter prior to that date that would have been presumed abandoned during the 5-year period preceding that date as if this chapter had been in effect during that period.

or after one year if the initial period is less than one year

1 trial time period, except that in the case of any renewal to which the
 2 owner consents at or about the time of renewal by communicating in writing
 3 with the banking or financial organization or otherwise indicating consent
 4 as evidenced by a memorandum or other record on file prepared by an
 5 employee of the organization, the property is matured upon the expiration
 6 of the last time period for which consent was given. If, at the time pro-
 7 vided for delivery in s. 177.19, a penalty or forfeiture in the payment of
 8 interest would result from the delivery of the property, the time for
 9 delivery is extended until the time when no penalty or forfeiture would
 10 result.

or one year from the date of the last consent, whichever is longer

11 177.07. FUNDS OWING UNDER LIFE INSURANCE POLICIES. (1) Funds held or
 12 owned under any life or endowment insurance policy or annuity contract
 13 that has matured or terminated are presumed abandoned if unclaimed for
 14 more than 5 years after the funds became due and payable as established
 15 from the records of the insurance company holding or owing the funds, but
 16 property described in sub. (3) is presumed abandoned if unclaimed for
 17 more than 2 years.

18 (2) If a person other than the insured or annuitant is entitled to
 19 the funds and no address of the person is known to the company or it is
 20 not definite and certain from the records of the company who is entitled
 21 to the funds, it is presumed that the last-known address of the person
 22 entitled to the funds is the same as the last-known address of the insured
 23 or annuitant according to the records of the company.

24 (3) For purposes of this chapter, a life or endowment insurance
 25 policy or annuity contract not matured by actual proof of the death of the
 26 insured or annuitant according to the records of the company is deemed
 27 matured and the proceeds due and payable under either of the following
 28 circumstances:

1 written explanation of the proof of claim or of the error in the presump-
2 tion of abandonment.

3 (3) Property with a value of less than \$25 reported under s. 177.17
4 for which the holder is not required to report the name of the apparent
5 owner may be delivered to the administrator at the time the report is
6 filed.

7 (4) The holder of an interest under s. 177.10 shall deliver to the
8 administrator a duplicate certificate or other evidence of ownership if
9 the holder does not issue certificates of ownership. Upon delivery of a
10 duplicate certificate to the administrator, the holder and any transfer
11 agent, registrar or other person acting for or on behalf of a holder in
12 executing or delivering the duplicate certificate are relieved of all
13 liability, as provided under s. 177.20, to any person, including any
14 person acquiring the original certificate or the duplicate of the certifi-
15 cate issued to the administrator, for any loss or damage caused by the
16 issuance and delivery of the duplicate certificate to the administrator

17 177.20 CUSTODY BY STATE. HOLDER RELIEVED FROM LIABILITY,
18 REIMBURSEMENT OF HOLDER PAYING CLAIM, RECLAIMING FOR OWNER, DEFENSE OF
19 HOLDER, PAYMENT OF SAFE DEPOSIT BOX OR REPOSITORY CHARGES (1) Upon the
20 payment or delivery of property to the administrator, this state assumes
21 custody and responsibility for the safekeeping of the property. Any
22 person who pays or delivers property to the administrator in good faith is
23 relieved of all liability ~~to the extent of the value of the property paid~~
24 ~~and is liable~~ for any claim which exists or which may arise or be made
25 with respect to the property.

26 (2) A holder who has paid money to the administrator under this
27 chapter may make payment to any person who appears to the holder to be
28 entitled to payment and receiving proof of the payment and proof that

Conversion Table

Current

New

Same

177.01

177.01

177.015

177.015

177.02

177.02

177.03

177.03

177.04

177.02(1)(a)+(b)

~~177.02(1)(a)~~

177.05

177.02(1)(e)

177.06

177.02(1)(e)

177.07

177.02(1)(h)

177.08

177.02(1)(m)

177.09

into 177.02

177.02(1)(d)

177.10

177.02(1)(c)

177.11

177.02(1)(i)

177.12

into 177.025

177.02(1)(p)+(o)

177.13

177.02(1)(b)+(k)

177.14

into

177.02(1)(f) and (g)

177.15

177.02(1)(l)

177.16

177.025

177.165

177.165

177.17

177.17

177.18

177.18

177.19

177.19

177.20

177.20

Same

177.21

177.21

177.22

177.22

177.23

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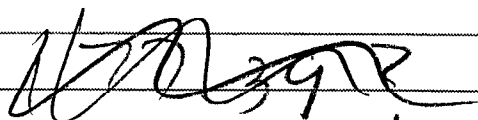
~~177.38~~

177.40

177.40

177.41

177.41



Dykman, Peter

From: Dykman, Peter
Sent: Tuesday, November 30, 1999 5:41 PM
To: Voegeli, Nicholas
Subject: Unclaimed intangible property statutes outside ch. 177

Here are the nonuniform provisions that need policy input from your office and Sen George:

Wis Constitution Article X, §2

School fund created; income applied. Section 2. [As amended Nov. 1982] The proceeds of all lands that have been or hereafter may be granted by the United States to this state for educational purposes (except the lands heretofore granted for the purposes of a university) **and all moneys and the clear proceeds of all property that may accrue to the state by forfeiture or escheat;** and the clear proceeds of all fines collected in the several counties for any breach of the penal laws, and all moneys arising from any grant to the state where the purposes of such grant are not specified, and the 500,000 acres of land to which the state is entitled by the provisions of an act of congress, entitled "An act to appropriate the proceeds of the sales of the public lands and to grant pre-emption rights," approved September 4, 1841; and also the 5 percent of the net proceeds of the public lands to which the state shall become entitled on admission into the union (if congress shall consent to such appropriation of the 2 grants last mentioned) shall be set apart as a separate fund to be called "the school fund," the interest of which and all other revenues derived from the school lands shall be exclusively applied to the following objects, to wit:

177.41

177.41 Escheat of property to municipalities. If any statute provides for the escheat of abandoned or unclaimed property to a county, city, village or town, this chapter does not apply.

59.66

59.66 Unclaimed funds.

59.66(1)

(1) Disposition of unclaimed funds by court clerks.

59.66(1)(a)

(a) On or before January 10 of every odd-numbered year the circuit court clerk shall file with the treasurer of his or her county a written report under oath of all moneys, securities or funds in his or her hands or under his or her possession or control where, for a period of 4 years or more, no order was made, or no step or proceeding had or taken in the case, action, or proceeding in, by or through which the moneys, securities or funds may have been deposited or left with the clerk or his or her predecessors in office, and where no valid claim was made upon or for any such moneys, securities or funds for a period of 4 years or more, and where the owner or ownership of the moneys, securities or funds is unknown, or undetermined, and the clerk or his or her successor in office shall hold the moneys, securities or funds, together with all interest or profits, until one year after the making of the report unless sooner demanded by and turned over to the legal owners thereof.

59.66(1)(b)

(b) One year after the filing of the report the clerk of any circuit court holding or having in his or her possession any such moneys, securities or funds shall turn them over to the treasurer, unless sooner demanded by and turned over to the legal owners thereof under order of the court in which the case, action or proceeding was pending.

59.66(1)(c)

(c) On or before March 1 of the same year the treasurer shall publish in the county, as a class 3 notice, under ch. 985, the fact that he or she has unclaimed moneys, securities or funds in his or her possession for disposition. If no legal claim is made for the moneys, securities or funds within 90 days after the last publication above provided for, then the treasurer shall deposit the moneys, securities or funds, together with all interest and profits thereon, in the general fund of the county treasury, and no action may thereafter be maintained by any person, firm or corporation against the county or the treasurer for the moneys, securities or funds.

59.66(2)

(2) Unclaimed funds in public treasury.

59.66(2)(a)

(a)

59.66(2)(a) 1.

1. On or before January 10 of every odd-numbered year, each officer of a municipality and county, and each clerk of every court of record, shall file with the treasurer of that person's county a written report under oath giving the names and the last-known addresses of all persons for whom any such officer or clerk holds money or security, and which has not been claimed for at least one year, and showing the amount of the money or the nature of the security in detail. A duplicate report shall also be mailed to the department of financial institutions. Upon receiving the reports the treasurer shall cause to be published a class 3 notice, under ch. 985, on or before February 1 of the same year, which contains the names and last-known addresses of the owners of the unclaimed money or security, and shall state that unless the owners call for and prove their ownership of the money or security, within 6 months from the time of the completed publication, the treasurer will take possession or control of the money or security.

59.66(2)(a)2.

2. In counties with a population of 500,000 or more, the treasurer shall distribute to as many community-based newspapers as possible, that are published in the county, a copy of the notice that is described in subd. 1. The treasurer shall distribute these copies of notices at the same time that he or she causes the notices to be published.

59.66(2)(am)

(am) Any money or security of which the treasurer has taken possession or control under par. (a) 1. and has had in his or her possession or control for more than one year shall, to the extent possible, be deposited in the county's general revenue fund. Money or security that is deposited under this paragraph may remain in the county's general revenue fund or may be used by the county until the money or security is paid or delivered to its owner, or becomes the property of the county, under par. (b).

59.66(2)(b)

(b) If within 10 years from the time any such money or security is delivered to the treasurer the owner of the money or security proves to the satisfaction of the treasurer the owner's right to the possession of the money or security, it shall be paid or delivered to the owner. If no such proof is made, then at the end of the 10-year period the money or property shall become the property of the county. Nothing in this subsection shall be construed to deprive the owner of any such property of the owner's right to proceed by court action for the recovery of such money or security from the treasurer.

59.66(2)(c)

(c) Any person violating this subsection shall, upon conviction, be fined not less than \$50 nor more than \$200 or imprisoned for not less than 30 days nor more than 6 months.

59.66(3)

(3) Disposition of unclaimed personal property other than money or securities held by county institutions, coroners, medical examiners or sheriffs. All personal property other than money or securities of a deceased

person who at the time of his or her death is a patient at any county institution or whose body is taken in charge by the coroner or medical examiner shall be preserved by the superintendent of the institution, the coroner or the medical examiner for one year unless the property is claimed sooner by a person having the legal right to the property. Annually on July 1 the superintendent, coroner or medical examiner shall make a verified written report listing all personal property which has remained in that person's custody for one year without being claimed and giving all facts as to ownership of the property as that person's records contain. The superintendent, coroner or medical examiner shall file the report with the sheriff of the county and deliver the property to the sheriff, who shall issue a receipt for the property. Thereupon the superintendent, coroner or medical examiner shall be discharged from further liability for the property, title to which shall then vest in the county. Any property which is left at the county jail for a period of one year after the prisoner has been discharged, transferred or committed and any property, found or stolen, which comes into the hands of the sheriff and in any case remains unclaimed for a period of one year, shall be sold as prescribed in this subsection. The sheriff shall, on or before August 1 annually, post a notice in 3 public places in the county, briefly describing the property and stating that the sheriff will sell the property at public auction on a certain date and at a named place, which auction shall be held accordingly. Any of the property which is not disposed of at the auction shall be sold for the best price obtainable, and if the property cannot be disposed of by sale, shall be destroyed in the presence of the sheriff. The sheriff shall, on or before September 1 annually, remit the proceeds of the auction or general sale to the treasurer and shall file a verified report of the sheriff's action in connection therewith. The proceeds shall become a part of the general fund of the county.

59.66 - ANNOT.

History: 1995 a. 201 ss. 400,458 to 462; 1995 a. 225 ss. 171, 172; 1997 a. 35.

66.28

66.28 Disposal of abandoned property.

66.28(1)

(1) Cities, villages, towns and counties may dispose of any personal property which has been abandoned, or remained unclaimed for a period of 30 days after the taking of possession of the property by the city, village, town or county officers by any means determined to be in the best interest of the city, village, town or county. If the property is not disposed of in a sale open to the public, every city, village, town and county shall maintain an inventory of such property; a record of the date and method of disposal, including the consideration received for the property, if any, and the name and address of the person taking possession of the property. Such inventory shall be kept as a public record for a period of not less than 2 years from the date of disposal of the property. Any means of disposal other than public auction shall be specified by ordinance. If the disposal is in the form of a sale, all receipts from the sale, after deducting the necessary expenses of keeping the property and conducting the sale, shall be paid into the city, village, town or county treasury.

66.28(2)

(2) Cities, villages, towns and counties may safely dispose of abandoned or unclaimed flammable, explosive or incendiary substances, materials or devices posing a danger to life or property in their storage, transportation or use immediately after taking possession of the substances, materials or devices without a public auction. The city, village, town or county, by ordinance or resolution, may establish disposal procedures. Procedures may include provisions authorizing an attempt to return to the rightful owner substances, materials or devices which have a commercial value in the normal business usage and do not pose an immediate threat to life or property. If enacted, any such provision shall include a presumption that if the substance, material or device appears to be or is reported stolen an attempt will be made to return the substance, material or device to the rightful owner.

66.28(3)

(3) Except as provided in s. 968.20 (3), 1st class cities shall dispose of abandoned or unclaimed dangerous weapons or ammunition without a public auction 12 months after taking possession of them if the owner has not requested their return. Disposition procedures shall be established by ordinance or resolution and may include

provisions authorizing an attempt to return to the rightful owner any dangerous weapons or ammunition which appear to be stolen or are reported stolen. If enacted, any such provision shall include a presumption that if the dangerous weapons or ammunition appear to be or are reported stolen an attempt will be made to return the dangerous weapons or ammunition to the rightful owner. The dangerous weapons or ammunition shall be subject to sub. (4).

66.28(4)

(4) A city, village, town or county may retain or dispose of any abandoned, unclaimed or seized dangerous weapon or ammunition only under s. 968.20.

66.28 - ANNOT.

History: 1979 c. 221, 222, 355; 1985 a. 29; 1987 a. 203; 1991 a. 269; 1993 a. 90; 1995 a. 157.

88.62(2)

(2) Before the board or its contractor may enter on lands for the construction of any drain on the lands, any damages awarded to the owners of the lands in excess of assessments against the lands for the cost of construction must have been paid or tendered. If the owner is unknown or the board for any other reason cannot safely pay the owner, it may deposit the net damages in an escrow account for the benefit of the owner or other party who is entitled to the damages, to be paid or distributed when payment can be made to the owner or other party or released after 5 years, whichever occurs first. Notwithstanding ch. 177, any funds not claimed in 5 years may be retained by the drainage board for the benefit of the drainage district for which the funds are held, after the board publishes a class 2 notice under ch. 985 and mails notice to the last-known address of each owner or other party regarding the existence of the unclaimed funds. The payment has the same effect as a tender to and acceptance of damages by the person entitled to the damages.

171.06

171.06 Unclaimed property, how disposed of. When any property is not perishable or subject to decay and is not claimed and taken away within one year after it was received, it may be sold as follows: The person in whose custody the property is, or the person's agent or attorney, may make an affidavit of the facts and present the same to a judge or court commissioner of the county in which the property is located and such judge or court commissioner shall immediately issue an order requiring the sheriff or any constable of the county to sell the property at public auction, giving 60 days' notice of the time and place of the sale to the consignor, the consignee and the custodian of the property. This notice shall be in writing and served personally or by mail upon the persons whose names and residences are known. If the name or residence of any of the persons is unknown and cannot be ascertained with reasonable diligence, the sheriff or constable shall make an affidavit of this fact and shall publish a class 3 notice, under ch. 985, in the county. At the time and place of the sale the sheriff or constable shall sell the property at public auction and shall make a full return of the sheriff's or constable's proceedings under the order to the judge or commissioner issuing the order, together with proof of service or publication of the notice of the sale, and an inventory of the property sold and the proceeds of the sale after deducting the sheriffs or constable's fees. From the proceeds of the sale the judge or commissioner shall pay all legal charges that have been incurred in relation to the property, including the charges of the person in whose custody the property was when the proceedings were begun, or a ratable proportion of each charge if the proceeds of the sale are not sufficient to pay all the charges; and the balance, if any, the judge or commissioner shall immediately pay over to the treasurer of his or her county, with a copy of all proceedings in the matter. The county treasurer shall file the copy in his or her office. The person in whose custody the property is when any proceeding for the sale is commenced, shall immediately notify the consignor and consignee of the sale, in writing, and served by leaving a copy thereof with the consignor and consignee, personally or by mail.

177.015

177.015 Exemption. Notwithstanding this chapter, a cooperative organized under ch. 185

may effect the forfeiture to the cooperative of unclaimed funds as provided in ss. 185.03 (10) and 185.75 (1).

177.015 - ANNOT.

History: 1985 a. 30,332.

185.03(10)

(10) (intro.) Effect the forfeiture to the cooperative of unclaimed funds, including all forms of distributions or credits under s. 185.45 (2) (b) and (c), (3) (a) and (b) and (4) (b) and unclaimed stock, membership fees and deposits, if all of the following conditions are met:

185.03(10)(a)

(a) No earlier than 3 years and no later than 5 years after the funds are first made available to their owners, the board declares the funds forfeited to the cooperative unless claimed by the date specified in par. (b).

185.03(10)(b)

(b) After the declaration under par. (a), the cooperative gives notice that states that the funds shall be forfeited if not claimed by a specified date.

185.03(10)(c)

(c) The date specified in the notice under par. (b) is a business day at least 60 days after the date of mailing of the notice.

185.03(10)(d)

(d) The notice under par. (b) is mailed to the last-known address of each owner and is published as a class 1 notice under ch. 985 on or before the date of mailing in a newspaper published in the municipality containing the service area of the cooperative.

185.03(10)(e)

(e) The cooperative dedicates any funds remaining unclaimed after the date specified in par. (b) to educational purposes, limited to providing scholarships or loans to students, or to charitable purposes, as the board determines, within one year after the date the funds are declared forfeited under par. (a). In this paragraph, educational purposes does not include political purposes as defined in s. 11.01 (16).

185.75

185.75 Unclaimed assets.

185.75(1)

(1) Assets distributable in the course of the liquidation of a cooperative that remain unclaimed after 2 years may be forfeited to the cooperative in the manner set forth in s. 185.03 (10), except that the board, a committee designated to liquidate the assets under s. 185.7 1, a court, trustee or other person authorized to liquidate the assets of the cooperative may declare the funds forfeited, give the notice, determine the purpose or purposes. and dedicate the funds under s. 185.03 (10) and except that any of these persons may declare the funds forfeited no earlier than 2 years and no later than 5 years after the funds are first made available to their owners in the course of the liquidation of the cooperative.

185.75(2)

(2) Assets distributable in the course of the liquidation of a cooperative that remain unclaimed after one year may be reported and delivered to the state treasurer as provided under ch. 177. Assets distributable in the course of the liquidation of a cooperative that are not forfeited under sub. (1) and that remain unclaimed after 5 years shall be reported and delivered to the state treasurer under ch. 177.

185.75 - ANNOT.

History: 1983 a. 408; 1985 a. 30.

177.165

177.165 Proceeds from sale of property in self-service storage facility. Notwithstanding s. 177.02 (1), the proceeds of a sale under s. 704.90 (6) of personal property stored in a leased facility located within a self-service storage facility after satisfaction of the operator's lien under s. 704.90 (3) (a) is presumed abandoned.

177.165 - ANNOT.

History: 1987 a. 23.

704.90(3)

(3) Lien and notice in rental agreement.

704.90(3)(a)

(a) An operator has a lien on **all** personal property stored in a leased space for rent and other charges related to the personal property, including expenses necessary to the preservation, removal, storage, preparation for sale and sale of the personal property. The lien attaches as of the first day the personal property is stored in the leased space and is superior to any other lien on or security interest in the personal property except for a statutory lien or a security interest that is perfected by filing prior to the first day the personal property is stored in the leased space, a security interest in a vehicle perfected under ch. 342 or a security interest in a boat perfected under ch. 30.

704.90(3)(b)

(b) A rental agreement shall state in boldface type that the operator has a lien on personal property stored in a leased space and that the operator may satisfy the lien by selling the personal property, as provided in this section, if the lessee defaults or fails to pay rent for the storage of personal property abandoned after the termination of the rental agreement.

704.90(4)

(4) Care and custody. Except as provided in the rental agreement and in this section, a lessee has exclusive care, custody and control of personal property stored in the lessee's leased space.

704.90(4g)

(4g) Default or failure to pay after termination. A lessee who defaults or fails to pay rent for the storage of personal property abandoned after the termination of the rental agreement is subject to the procedures and remedies in subs. (4r) to (9) and (12).

704.90(4r)

(4r) Denial of access; removal and storage.

704.90(4r)(a)

(a) If a lessee defaults, an operator may deny the lessee access to the personal property until the lessee redeems the personal property under sub. (5) (a).

704.90(4r)(b)

(b) After the termination, by expiration or otherwise, of a rental agreement for the use of a leased space by a lessee, an operator may remove personal property remaining in the leased space and store the personal property at another site within or outside the self-service storage facility or the operator may continue to store the personal property in the leased space, and the operator may deny the former lessee access to the personal property until the lessee redeems the personal property under sub. (5) (a). The operator may charge a reasonable rent for storage of the personal property, whether at another site or in the leased space. A former lessee who

fails to pay the rent is subject to all procedures and remedies set forth in this section for default.

704.90(5)

(5) Redemption and notice of opportunity to redeem.

704.90(5)(a)

(a) At any time prior to sale under sub. (6), a lessee may redeem personal property by paying the operator any rent and other charges due. Upon receipt of such payment, the operator shall return the personal property, and thereafter the operator shall have no liability to any person with respect to such personal property.

704.90(5)(b)

(b) (intro.) An operator may not sell personal property under sub. (6) unless the operator first delivers the following 2 notices:

704.90(5)(b) 1.

1. (intro.) A first notice sent by regular mail to the last-known address of the lessee and the person, if any, specified in the rental agreement under sub. (2m) containing all of the following:

704.90(5)(b) 1 .a.

a. Notification that the lessee is in default or has failed to pay rent for the storage of personal property abandoned after the termination of the rental agreement or both.

704.90(5)(b) 1 .b.

b. A brief and general description of the personal property subject to the lien that is reasonably adequate to permit the lessee to identify it, except that any container including, but not limited to, a trunk, valise or box that is locked, fastened, sealed or tied in a manner which deters immediate access to its contents may be described as such without describing its contents.

704.90(5)(b) 1 .c.

c. A notice of denial of access to the personal property if such denial is permitted under the terms of the rental agreement or under sub. (4r).

704.90(5)(b) 1 .d.

d. The name, street address and telephone number of the operator whom the lessee may contact to redeem the personal property by paying the rent and other charges due.

704.90(5)(b)2.

2. (intro.) A 2nd notice sent by certified mail to the last-known address of the lessee containing all of the following:

704.90(5)(b)2.a.

a. A statement that the operator has a lien on personal property stored in a leased space.

704.90(5)(b)2.ag.

ag. A brief and general description of the personal property subject to the lien that is reasonably adequate to permit the lessee to identify it, except that any container including, but not limited to, a trunk, valise or box that is locked, fastened, sealed or tied in a manner which deters immediate access to its contents may be described as such without describing its contents.

704.90(5)(b)2.am.

am. A notice of denial of access to the personal property if such denial is permitted under the terms of the rental agreement or under sub. (4r).

704.90(5)(b)2.b.

b. An itemized statement of the operator's claim for rent and other charges due as of the date of the notice and of additional rent and other charges that will become due prior to sale and the dates when they will become due.

704.90(5)(b)2.c.

c. A demand for payment of the rent and other charges due **within** a time period not sooner than 14 days after the date of the notice.

704.90(5)(b)2.d.

d. A statement that unless the rent and other charges are paid within the time period under subd. 2. c., the personal property will be sold, a specification of the date, time and place of sale and a statement that if the property is sold the operator shall apply the proceeds of the sale first to satisfy the lien and shall report and deliver any balance to the state treasurer as provided under ch. 177.

704.90(5)(b)2.e.

e. The name, street address and telephone number of the operator whom the lessee may contact to redeem the personal property by paying the rent and other charges due.

704.90(6)

(6) Sale, notice of sale and proceeds of sale.

704.90(6)(a)

(a) (intro.) After the expiration of the time period given in the 2nd notice under sub. (5) (b) 2. c., an operator may sell personal property that was stored in a lessee's leased space to satisfy the lien under sub. (3) (a) in the manner set forth in pars. (b) and (c) if all of the following conditions are met:

704.90(6)(a)2.

2. The operator has complied with the notice requirements under sub. (5) (b).

704.90(6)(a)3.

3. The lessee has failed to redeem the personal property under sub. (5) (a) within the time period specified in the notice under sub. (5) (b) 2. c.

704.90(6)(a)4.

4. An advertisement of the sale is published once a week for 2 consecutive weeks in a newspaper of general circulation where the self-service storage facility is located.

704.90(6)(a)5.

5. (intro.) The advertisement under subd. 4. contains all of the following:

704.90(6)(a)5.a.

a. A brief and general description of the personal property reasonably adequate to permit its identification, as provided in the notices under sub. (5) (b).

704.90(6)(a)5.b.

b. The address of the self-service storage facility, the number, if any, of the space where the personal property is located and the name of the lessee.

704.90(6)(a)6.

6. The sale takes place not sooner than 15 days after the first publication under subd. 4.

704.90(6)(a)7.

7. The sale is conducted in a commercially reasonable manner and conforms to the terms of the notices under sub. (5) (b).

704.90(6)(a)8.

8. The sale is held at the self-service storage facility or at the nearest suitable place to the place where the personal property is stored.

704.90(6)(b)

(b) The operator shall apply the proceeds of the sale first to satisfy the lien under sub. (3) (a). The operator shall report and deliver any balance to the state treasurer as provided under ch. 177.

704.90(6)(c)

(c) A purchaser in good faith of personal property sold takes the personal property free and clear of any rights of any person against whom the lien under sub. (3) (a) was valid and any rights of any other lienholder, regardless of any noncompliance with the requirements of this section by any person.

562.065(4)

(4) Unclaimed prizes. Any winnings on a race which are not claimed within 90 days after the end of the period authorized for racing in that year under s. 562.05 (9) shall be paid to the department. **The department shall credit moneys received under this subsection to the appropriation accounts under ss. 20.455 (2) (g) and 20.505 (8) (g).**

562.065 - ANNOT.

History: 1987 a. 354; 1989 a. 31,314; 1991 a. 39, 269, 315; 1995 a. 27 ss. 6960 to 6967, 9123 (6pp); 1997 a. 27; 1999 a. 5.

The last sentence of 177.23(1) is deleted by the new act, leaving the act silent on this issue. Do you strongly need to retain the last sentence?

177.23 (1) Except as provided in sub. (2), the administrator shall deposit in the school fund all funds received under this chapter, including the clear proceeds from the sale of abandoned property under s. 177.22. Before making the deposit, the administrator shall record the name and last-known address of each person appearing from the holders' reports to be entitled to the property and the name and last-known address of each insured person or annuitant and beneficiary and, with respect to each policy or contract listed in the report of an insurance company, its number, the name of the company and the amount due. **The information recorded by the administrator under this subsection is not available for inspection or copying under s. 19.35 (1) until 24 months after payment or delivery of the property is due under s. 177.19 (1).**

****Note: 1987 WA 399 substituted the last sentence for one that made this information public immediately. The new act does not have the last sentence in any form.

History: 1983 a. 408; 1987 a. 399.

“ Do you need to retain the two-year filing period?
177.17 (4) of the statutes is amended to read:

177.17 (4) Before May 1 of each even-numbered year, each holder shall file a report covering the 2 previous calendar years. On written request by any person required to file a report, the administrator may postpone the reporting date.

****Note: 1983 WA 408 created a two-year filing period and switched it to even-numbered.

History: 1983 a. 408; 1987 a. 399.

177.41 Escheat of property to municipalities. If any statute of this state provides for the escheat of abandoned or unclaimed property to a county, city, village or town, this chapter does not apply to that property.

****Note: This section needs to be amended in the draft of the new act to clarify it.

History: 1983 a. 408.

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1999 BILL

Thursday

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1 **AN ACT** to amend 610.61; and to repeal and recreate chapter 177 of the
2 statutes; relating to: the Uniform Unclaimed Property Act and granting
3 rule-making authority.

Analysis by the Legislative Reference Bureau

This bill is based on the Uniform Unclaimed Property Act (1995), which was approved by the National Conference of Commissioners on Uniform State Laws in 1995.

This bill clarifies the definition of "property," removes ambiguities over the meaning of "last known address," and adds new definitions of "mineral," "mineral proceed@ and "money order". It also consolidates several sections that dealt with various presumptions of abandonment for different classifications of property into one unified treatment of presumptions of abandonment. deal

This bill adds an express provision to cover proceeds of class actions, and also adds limitations on dormancy charges. It clarifies the limited nature of the states' burden of proof when the unclaimed obligation is evidenced by negotiable instruments. The bill increases penalties for non-compliance and it adds a provision for attorney's fees in litigated enforcement actions. Rules of confidentiality are added.

The periods of time after which abandonment will be presumed have been reduced in some instances: corporate stock, from seven to five years, and gift certificates, from five years to three years. Certain life insurance obligations had five year and two year periods of abandonment; they have been unified at three years.

BILL

^{it}
 7 The statute of limitations provision has been clarified ⁷ to make it clear ^{so} that ⁷ the statute of limitations does not run in favor of a holder who makes no report or whose report is false or fraudulent.

Under the 1981 law, the administrator could require any person who had not filed a report to file a verified statement disclosing any unclaimed and reportable property. This bill provides that the administrator may also require a further report from a person believed to have filed a false or incomplete report. The administrator has a right to audit records whether or not there is reason to believe a person is not complying with the law.

This state has enacted some nonuniform amendments to the 1981 version of the Uniform Unclaimed Property Act. This bill retains some of them, including those providing that unclaimed property is deposited in and paid from the school fund rather than the general fund and providing that the act does not apply to the escheat of property to counties and municipalities, the forfeiture to a cooperative of unclaimed funds, the proceeds of a sale of property left in a self-storage facility, and unclaimed race prizes.

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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. Chapter 177 of the statutes, as affected by 1999 Wisconsin Act 9,
 2 is repealed and recreated to read:

3 **CHAPTER 177**

4 **UNIFORM UNCLAIMED PROPERTY ACT**

5 **177.01 Definitions.** In this chapter:

6 **(1)** "Administrator" means the state treasurer.

7 **(2)** "Apparent owner" means a person whose name appears on the records of
 8 a holder as the person entitled to property held, issued or owing by the holder.

9 **(3)** "Business association" means a corporation, joint stock company,
 10 investment company, partnership, unincorporated association, joint venture,
 11 limited liability company, business trust, trust company, land bank, safe deposit
 12 company, safekeeping depository, financial organization, insurance company,

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1 mutual fund, utility or other business entity consisting of one or more persons,
2 whether or not for profit.

3 (4) "Domicile" means the state of incorporation of a corporation and the state
4 of the principal place of business of a holder other than a corporation.

5 (5) "Financial organization" means a savings and loan association, building
6 and loan association, savings bank, industrial bank, bank, banking organization or
7 credit union.

8 (6) "Holder" means a person obligated to hold ^{STET} for the account of, or deliver or
9 pay to, the owner property that is subject to this chapter.

10 (7) "Insurance company" means an association, corporation or fraternal or
11 mutual benefit organization, whether or not for profit, engaged in the business of
12 providing life endowments, annuities or insurance, including accident, burial,
13 casualty, credit life, contract performance, dental, disability, fidelity, fire, health,
14 hospitalization, illness, life, malpractice, marine, mortgage, surety, wage protection
15 and workers' compensation insurance.

16 (8) "Mineral" means gas; oil; coal; other gaseous, liquid and solid hydrocarbons;
17 oil shale; cement material; sand and gravel; road material; building stone; chemical
18 raw material; gemstone; fissionable and nonfissionable ores; colloidal and other clay;
19 steam and other geothermal resource; or any other substance defined as a mineral
20 by the law of this state.

21 (9) "Mineral proceeds" means amounts payable for the extraction, production
22 or sale of minerals, or, upon the abandonment of those payments, all payments that
23 become payable thereafter. The term includes any of the following amounts payable:

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1 (a) For the acquisition and retention of a mineral lease, including bonuses,
2 royalties, compensatory royalties, shut-in royalties, minimum royalties and delay
3 rentals.

4 (b) For the extraction, production or sale of minerals, including net revenue
5 interests, royalties, overriding royalties, extraction payments and production
6 payments.

7 (c) Under an agreement or option, including a joint operating agreement, unit
8 agreement, pooling agreement and farm-out agreement.

9 (10) "Money order" includes an express money order and a personal money
10 order, on which the remitter is the purchaser. The term does not include a bank
11 money order or any other instrument sold by a financial organization if the seller has
12 obtained the name and address of the payee.

13 (11) "Owner" means a person who has a legal or equitable interest in property
14 subject to this chapter or the person's legal representative. The term includes a
15 depositor in the case of a deposit, a beneficiary in the case of a trust other than a
16 deposit in trust and a creditor, claimant or payee in the case of other property.

17 (12) "Person" means an individual, business association, financial
18 organization, estate, trust, government, governmental subdivision, agency or
19 instrumentality, or any other legal or commercial entity.

20 (13) "Property" means tangible property described in s. 177.025 or a fixed and
21 certain interest in intangible property that is held, issued or owed in the course of
22 a holder's business, or by a government, governmental subdivision, agency or
23 instrumentality, and all income or increments therefrom. The term includes
24 property that is referred to as or evidenced by any of the following:

25 (a) Money, a check, draft, deposit, interest or dividend.

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1 (b) Credit balance, customer's overpayment, gift certificate, security deposit,
2 refund, credit memorandum, unpaid wage, unused ticket, mineral proceeds or
3 unidentified remittance.

4 (c) Stock or other evidence of ownership of an interest in a business association
5 or financial organization.

6 (d) A bond, debenture, note or other evidence of indebtedness.

7 (e) Money deposited to redeem stocks, bonds, coupons or other securities or to
8 make distributions.

9 (f) An amount due and payable under the terms of an annuity or insurance
10 policy, including policies providing life insurance, property and casualty insurance,
11 workers' compensation insurance or health and disability insurance.

12 (g) An amount distributable from a trust or custodial fund established under
13 a plan to provide health, welfare, pension, vacation, severance, retirement, death,
14 stock purchase, profit sharing, employe savings, supplemental unemployment
15 insurance or similar benefits.

16 (14) "Record" means information that is inscribed on a tangible medium or that
17 is stored in an electronic or other medium and is retrievable in perceivable form.

18 (15) "State" means a state of the United States, the District of Columbia, the
19 Commonwealth of Puerto Rico, or any territory or insular possession subject to the
20 jurisdiction of the United States.

21 (16) "Utility" means a person who owns or operates for public use any plant,
22 equipment, real property, franchise or license for the transmission of
23 communications or the production, storage, transmission, sale, delivery or
24 furnishing of electricity, water, steam or gas.

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1 **177.015 Exemption.** Notwithstanding this chapter, a cooperative organized
2 under ch. 185[✓] may effect the forfeiture to the cooperative of unclaimed funds as
3 provided in ss. 185.03 (10)[✓] and 185.75 (1).[✓]

4 **177.02 Presumption of abandonment. (1)** Property is presumed
5 abandoned if it is unclaimed by the apparent owner during the time set forth below
6 for the particular property:

7 (a) Traveler's check, 15 years after issuance.

8 (b) Money order, 7 years after issuance.

9 (c) Stock or other equity interest in a business association or financial
10 organization, including a security entitlement under ch. 408,[✓] 5 years after the earlier
11 of:

12 1. The date of the most recent dividend, stock split or other distribution
13 unclaimed by the apparent owner.

14 2. The date of the second mailing of a statement of account or other notification
15 or communication that was returned as undeliverable or after the holder
16 discontinued mailings, notifications or communications to the apparent owner.

17 (d) Debt of a business association or financial organization, other than a bearer
18 bond or an original issue discount bond, 5 years after the date of the most recent
19 interest payment unclaimed by the apparent owner.

20 (e) A demand, savings or time deposit, including a deposit that is automatically
21 renewable, 5 years after the earlier of maturity or the date of the last indication by
22 the owner of interest in the property; but a deposit that is automatically renewable
23 is deemed matured for purposes of this section upon its initial date of maturity,
24 unless the owner has consented to a renewal at or about the time of the renewal and

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1 the consent is in writing or is evidenced by a memorandum or other record on file with
2 the holder.

3 (f) Money or credits owed to a customer as a result of a retail business
4 transaction, 3 years after the obligation accrued.

5 (g) Gift certificate, 3 years after December 31 of the year in which the certificate
6 was sold, but if redeemable in merchandise only, the amount abandoned is deemed
7 to be 60% of the certificate's face value.

8 (h) Amount owed by an insurer on a life or endowment insurance policy or an
9 annuity that has matured or terminated, 3 years after the obligation to pay arose or,
10 in the case of a policy or annuity payable upon proof of death, 3 years after the insured
11 has attained, or would have attained if living, the limiting age under the mortality
12 table on which the reserve is based.

13 (i) Property distributable by a business association or financial organization
14 in a course of dissolution, one year after the property becomes distributable.

15 (j) Property received by a court as proceeds of a class action, and not distributed
16 pursuant to the judgment, one year after the distribution date.

17 (k) Except as provided in ~~§~~⁵ 40.08 (8)[✓], 800.095 (7m)[✓], 852.01 (3)[✓], 863.27 (2)[✓] and
18 863.39: property held by a court, government, governmental subdivision, agency or
19 instrumentality, one year after the property becomes distributable.

20 (L) Wages or other compensation for personal services, one year after the
21 compensation becomes payable.

22 (m) Deposit or refund owed to a subscriber by a utility, one year after the deposit
23 or refund becomes payable.

24 (n) Property in an individual retirement account, defined benefit plan or other
25 account or plan that is qualified for tax deferral under the income tax laws of the

BILL

1 United States, 3 years after the earliest of the date of the distribution or attempted
2 distribution of the property, the date of the required distribution as stated in the plan
3 or trust agreement governing the plan, or the date, if determinable by the holder,
4 specified in the income tax laws of the United States by which distribution of the
5 property must begin in order to avoid a tax penalty.

6 (o) All other property, 5 years after the owner's right to demand the property
7 or after the obligation to pay or distribute the property arises, whichever first occurs.

8 (2) At the time that an interest is presumed abandoned under sub. (1),¹ any
9 other property right accrued or accruing to the owner as a result of the interest, and
10 not previously presumed abandoned, is also presumed abandoned.

11 (3) Property is unclaimed if, for the applicable period set forth in sub. (1),¹ the
12 apparent owner has not communicated in writing⁵ or by other means reflected in a
13 contemporaneous record prepared by or on behalf of the holder, with the holder
14 concerning the property or the account in which the property is held, and has not
15 otherwise indicated an interest in the property. A communication with an owner by
16 a person other than the holder or its representative who has not in writing identified
17 the property to the owner is not an indication of interest in the property by the owner.

18 (4) An indication of an owner's interest in property includes the following:

19 (a) The presentment of a check or other instrument of payment of a dividend
20 or other distribution made with respect to an account or underlying stock or other
21 interest in a business association or financial organization or, in the case of a
22 distribution made by electronic or similar means, evidence that the distribution has
23 been received.

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1 (b) Owner-directed activity in the account in which the property is held,
2 including a direction by the owner to increase, decrease or change the amount or type
3 of property held in the account.

4 (c) The making of a deposit to or withdrawal from a bank account.

5 (d) The payment of a premium with respect to a property interest in an
6 insurance policy; but the application of an automatic premium loan provision or
7 other nonforfeiture provision contained in an insurance policy does not prevent a
8 policy from maturing or terminating if the insured has died or the insured or the
9 beneficiary of the policy has otherwise become entitled to the proceeds before the
10 depletion of the cash surrender value of a policy by the application of those
11 provisions.

12 (5) Property is payable or distributable for purposes of this chapter[✓]
13 notwithstanding the owner's failure to make demand or present an instrument or
14 document otherwise required to obtain payment.

177.025 Contents of safe deposit box or other safekeeping depository.

15
16 Tangible property held in a safe deposit box or other safekeeping depository in this
17 state in the ordinary course of the holder's business and proceeds resulting from the
18 sale of the property permitted by other laws^{are} are presumed abandoned if the property
19 remains unclaimed by the owner for more than 5 years after expiration of the lease
20 or rental period on the box or other depository.

21 **177.03 Rules for taking custody.** Except as otherwise provided in this
22 chapter or by other statute of this state, property that is presumed abandoned,
23 whether located in this or another state, is subject to the custody of this state if any
24 of the following conditions is present:

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1 (1) The last-known address of the apparent owner, as shown on the records of
2 the holder, is in this state.

3 (2) The records of the holder do not reflect the identity of the person entitled
4 to the property and it is established that the last-known address of the person
5 entitled to the property is in this state.

6 (3) The records of the holder do not reflect the last-known address of the
7 apparent owner and either of the following is established:

8 (a) The last-known address of the person entitled to the property is in this
9 state.

10 (b) The holder is domiciled in this state or is a government or governmental
11 subdivision, agency or instrumentality of this state and has not previously paid or
12 delivered the property to the state of the last-known address of the apparent owner
13 or other person entitled to the property.

14 (4) The last-known address of the apparent owner, as shown on the records of
15 the holder, is in a state that does not provide for the escheat or custodial taking of
16 the property and the holder is domiciled in this state or is a government or
17 governmental subdivision, agency or instrumentality of this state.

18 (5) The last-known address of the apparent owner, as shown on the records of
19 the holder, is in a foreign country and the holder is domiciled in this state or is a
20 government or governmental subdivision, agency or instrumentality of this state.

21 (6) The transaction out of which the property arose occurred in this state, the
22 holder is domiciled in a state that does not provide for the escheat or custodial taking
23 of the property, and the last-known address of the apparent owner or other person
24 entitled to the property is unknown or is in a state that does not provide for the
25 escheat or custodial taking of the property.

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1 (7) The property is a traveler's check or money order purchased in this state,
2 or the issuer of the traveler's check or money order has its principal place of business
3 in this state and the issuer's records show that the instrument was purchased in a
4 state that does not provide for the escheat or custodial taking of the property, or do
5 not show the state in which the instrument was purchased.

6 **177.09 Dormancy charge.** A holder may deduct from property presumed
7 abandoned a charge imposed by reason of the owner's failure to claim the property
8 within a specified time only if there is a valid and enforceable written contract
9 between the holder and the owner under which the holder may impose the charge
10 and the holder regularly imposes the charge, which is not regularly reversed or
11 otherwise canceled. The amount of the deduction is limited to an amount that is not
12 unconscionable.

13 **177.11 Burden of proof as to property evidenced by record of check or**
14 **draft.** A record of the issuance of a check, draft or similar instrument is prima facie
15 evidence of an obligation. In claiming property from a holder who is also the issuer,
16 the administrator's burden of proof as to the existence and amount of the property
17 and its abandonment is satisfied by showing issuance of the instrument and passage
18 of the requisite period of abandonment. Defenses of payment, satisfaction, discharge
19 and want of consideration are affirmative defenses that must be established by the
20 holder.

21 **177.165 Proceeds from sale of property in self-service storage facility.**
22 Notwithstanding s. 177.02 (1),[√] the proceeds of a sale under s. 704.90 (6)[√] of personal
23 property stored in a leased facility located within a self-service storage facility after
24 satisfaction of the operator's lien under s. 704.90 (3) (a)[√] is presumed abandoned.

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1 **177.17 Report of abandoned property (1)** A holder of property presumed
2 abandoned shall make a report to the administrator concerning the property.

3 (2) The report must be verified and must contain all of the following:

4 (a) A description of the property.

5 (b) Except with respect to a traveler's check or money order, the name, if known,
6 and last-known address, if any, and the social security number or taxpayer
7 identification number, if readily ascertainable, of the apparent owner of property of
8 the value of \$50 or more.

9 (c) An aggregated amount of items valued under \$50 each.

10 (d) In the case of an amount of \$50 or more held or owing under an annuity or
11 a life or endowment insurance policy, the full name and last-known address of the
12 annuitant or insured and of the beneficiary.

13 (e) In the case of property held in a safe deposit box or other safekeeping
14 depository, an indication of the place where it is held and where it may be inspected
15 by the administrator, and any amounts owing to the holder.

16 (f) The date, if any, on which the property became payable, demandable or
17 returnable, and the date of the last transaction with the apparent owner with respect
18 to the property.

19 (g) Other information that the administrator by rule prescribes as necessary
20 for the administration of this chapter.[√]

21 (3) If a holder of property presumed abandoned is a successor to another person
22 who previously held the property for the apparent owner or the holder has changed
23 its name while holding the property, the holder shall file with the report its former
24 names, if any, and the known names and addresses of all previous holders of the
25 property.

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1 (4) The report must be filed before November 1 of each year and cover the 12
2 months next preceding July 1 of that year, but a report with respect to a life insurance
3 company must be filed before May 1 of each year for the calendar year next preceding.

4 (5) The holder of property presumed abandoned shall send written notice to the
5 apparent owner, not more than 120 days or less than 60 days before filing the report,
6 stating that the holder is in possession of property subject to this chapter, if all of the
7 following exist:

8 (a) The holder has in its records an address for the apparent owner ^{that} ~~which~~ the
9 holder's records do not disclose to be inaccurate.

10 (b) The claim of the apparent owner is not barred by a statute of limitations.

11 (c) The value of the property is \$50 or more.

12 (6) Before the date for filing the report, the holder of property presumed
13 abandoned may request the administrator to extend the time for filing the report.
14 The administrator may grant the extension for good cause. The holder, upon receipt
15 of the extension, may make an interim payment on the amount the holder estimates
16 will ultimately be due, which terminates the accrual of additional interest on the
17 amount paid.

18 (7) The holder of property presumed abandoned shall file with the report an
19 affidavit stating that the holder has complied with sub. (5).[✓]

20 **177.18 Notice and publication of lists of abandoned property. (1)** The
21 administrator shall publish a notice not later than November 30 of the year next
22 following the year in which abandoned property has been paid or delivered to the
23 administrator.

24 **(ld)** Except as provided in sub. (1m),[✓] the notice must be published as a class
25 1 notice under ch. 985[✓] in a newspaper of general circulation in the county of this state

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1 in which is located the last-known address of any person named in the notice. If a
2 holder does not report an address for the apparent owner, or the address is outside
3 this state, the notice must be published in the county in which the holder has its
4 principal place of business within this state or another county that the administrator
5 reasonably selects. The advertisement must be in a form that, in the judgment of the
6 administrator, is likely to attract the attention of the apparent owner of the
7 unclaimed property. The form must contain all of the following:

8 (a) The name of each person appearing to be the owner of the property, as set
9 forth in the report filed by the holder.

10 (b) The ~~last-known~~ address or location of each person appearing to be the
11 owner of the property, if an address or location is set forth in the report filed by the
12 holder.

13 (c) A statement explaining that property of the owner is presumed to be
14 abandoned and has been taken into the protective custody of the administrator.

15 (d) A statement that information about the property and its return to the owner
16 is available to a person having a legal or beneficial interest in the property, upon
17 request to the administrator.

18 **(lm)** For money or other property received under s. 852.01 (3), 863.37 (2) or
19 863.39 (1), the notice shall be published in the official state newspaper and shall
20 include the name of the decedent, the time and place of the decedent's death, the
21 amount paid to the administrator, the name of the decedent's personal
22 representative, the county in which the estate is probated and a statement that the
23 money will be paid to the heirs or legatees without interest, on proof of ownership,
24 if claimed within 10 years from the date of publication as provided in s. 863.39 (3).

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1 (2) The administrator is not required to advertise the name and address or
2 location of an owner of property having a total value less than \$50, or information
3 concerning a traveler's check, money order or similar instrument.

4 **177.19 Payment or delivery of abandoned property. (1)** Except for
5 property held in a safe deposit box or other safekeeping depository, upon filing the
6 report required by s. 177.17,^J the holder of property presumed abandoned shall pay,
7 deliver or cause to be paid or delivered to the administrator the property described
8 in the report as unclaimed, but if the property is an automatically renewable deposit,
9 and a penalty or forfeiture in the payment of interest would result, the time for
10 compliance is extended until a penalty or forfeiture would no longer result. Tangible
11 property held in a safe deposit box or other safekeeping depository may not be
12 delivered to the administrator until 120 days after filing the report required by s.
13 177.17.^J

14 (2) If the property reported to the administrator is a security or security
15 entitlement under ch. 408,^J the administrator is an appropriate person to make an
16 endorsement, instruction or entitlement order on behalf of the apparent owner to
17 invoke the duty of the issuer or its transfer agent or the securities intermediary to
18 transfer or dispose of the security or the security entitlement in accordance with ch.
19 408.^J

20 (3) If the holder of property reported to the administrator is the issuer of a
21 certificated security, the administrator has the right to obtain a replacement
22 certificate pursuant to s. 408.405,^J but an indemnity bond is not required.

23 (4) An issuer, the holder and any transfer agent or other person acting
24 pursuant to the instructions of and on behalf of the issuer or holder in accordance

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1 with this section is not liable to the apparent owner and must be indemnified against
2 claims of any person in accordance with s. 177.20.^J

3 **177.20 Custody by state; recovery by holder; defense of holder. (1)** In
4 this section, payment or delivery is made in “good faith” if all of the following exist:

5 (a) Payment or delivery was made in a reasonable attempt to comply with this
6 chapter.^J

7 (b) The holder was not then in breach of a fiduciary obligation with respect to
8 the property and had a reasonable basis for believing, based on the facts then known,
9 that the property was presumed abandoned.

10 (c) There is no showing that the records under which the payment or delivery
11 was made did not meet reasonable commercial standards of practice.

12 (2) Upon payment or delivery of property to the administrator, the state
13 assumes custody and responsibility for the safekeeping of the property. A holder who
14 pays or delivers property to the administrator in good faith is relieved of all liability
15 arising thereafter with respect to the property.

16 (3) A holder who has paid money to the administrator pursuant to this chapter
17 may subsequently make payment to a person reasonably appearing to the holder to
18 be entitled to payment. Upon a filing by the holder of proof of payment and proof that
19 the payee was entitled to the payment, the administrator shall promptly reimburse
20 the holder for the payment without imposing a fee or other charge. If reimbursement
21 is sought for a payment made on a negotiable instrument, including a traveler’s
22 check or money order, the holder must be reimbursed upon filing proof that the
23 instrument was duly presented and that payment was made to a person who
24 reasonably appeared to be entitled to payment. The holder must be reimbursed for

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1 payment made even if the payment was made to a person whose claim was barred
2 under s. 177.29 (1).[√]

3 (4) A holder who has~~d~~ delivered property other than money to the administrator
4 pursuant to this chapter may reclaim the property if it is still in the possession of the
5 administrator, without paying any fee or other charge, upon filing proof that the
6 apparent owner has claimed the property from the holder.

7 (5) The administrator may accept a holder's affidavit as sufficient proof of the
8 holder's right to recover money and property under this section.[√]

9 (6) If a holder pays or delivers property to the administrator in good faith and
10 thereafter another person claims the property from the holder or another state
11 claims the money or property under its laws relating to escheat or abandoned or
12 unclaimed property, the administrator, upon written notice of the claim, shall defend
13 the holder against the claim and indemnify the holder against any liability on the
14 claim resulting from payment or delivery of the property to the administrator.

15 (7) Property removed from a safe deposit box or other safekeeping depository
16 is received by the administrator subject to the holder's right to be reimbursed for the
17 cost of the opening and to any valid lien or contract providing for the holder to be
18 reimbursed for unpaid rent or storage charges. The administrator shall reimburse
19 the holder out of the proceeds remaining after deducting the expense incurred by the
20 administrator in selling the property.

21 **177.21 Crediting of dividends, interest and increments to owner's**
22 **account.** If property other than money is delivered to the administrator under this
23 chapter,[√] the owner is entitled to receive from the administrator any income or gain
24 realized or accruing on the property at or before liquidation or conversion of the
25 property into money. If the property was an interest-bearing demand, savings or

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1 time deposit, including a deposit that is automatically renewable, the administrator
 2 shall pay interest at a rate of 18% a year or any lesser rate the property earned while
 3 in the possession of the holder. Interest begins to accrue when the property is
 4 delivered to the administrator and ceases on the earlier of the expiration of 10 years
 5 after delivery or the date on which payment is made to the owner. Interest on
 6 interest-bearing property is not payable for any period before the effective date of
 7 this section [revisor inserts date], unless authorized by ch. 177, 1997 stats.

8 **177.22 Public sale of abandoned property. (1)** Except as otherwise
 9 provided in this section, the administrator, within 3 years after the receipt of
 10 abandoned property, shall sell it to the highest bidder at public sale at a location in
 11 the state ^{that} ~~which~~ in the judgment of the administrator affords the most favorable
 12 market for the property. The administrator may decline the highest bid and reoffer
 13 the property for sale if the administrator considers the bid to be insufficient. The
 14 administrator need not offer the property for sale if the administrator considers that
 15 the probable cost of sale will exceed the proceeds of the sale. A sale held under this
 16 section must be preceded by a class 1 notice under ch. 985, at least 3 weeks before
 17 sale, in a newspaper of general circulation in the county in which the property is to
 18 be sold.

19 (2) Securities listed on an established stock exchange must be sold at prices
 20 prevailing on the exchange at the time of sale. Other securities may be sold over the
 21 counter at prices prevailing at the time of sale or by any reasonable method selected
 22 by the administrator. If securities are sold by the administrator before the expiration
 23 of 3 years after their delivery to the administrator, a person making a claim under
 24 this chapter before the end of the 3-year period is entitled to the proceeds of the sale

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1 of the securities or the market value of the securities at the time the claim is made,
2 whichever is greater, plus dividends, interest and other increments thereon up to the
3 time the claim is made, less any deduction for expenses of sale. A person making a
4 claim under this chapter[✓] after the expiration of the 3-year period is entitled to
5 receive the securities delivered to the administrator by the holder, if they still remain
6 in the custody of the administrator, or the net proceeds received from sale, and is not
7 entitled to receive any appreciation in the value of the property occurring after
8 delivery to the administrator, except in a case of intentional misconduct or
9 malfeasance by the administrator.

10 (3) A purchaser of property at a sale conducted by the administrator pursuant
11 to this chapter takes the property free of all claims of the owner or previous holder
12 and of all persons claiming through or under them. The administrator shall execute
13 all documents necessary to complete the transfer of ownership.

14 **177.23 Deposit of funds. (1)** Except as otherwise provided by sub. (2),[✓] the
15 administrator shall promptly deposit in the school fund all funds received under this
16 chapter, including the clear proceeds from the sale of abandoned property under s.
17 177.331 The administrator shall record the name and last-known address of each
18 person appearing from the holders' reports to be entitled to the property and the
19 name and last-known address of each insured person or annuitant and beneficiary
20 and, with respect to each policy or annuity listed in the report of an insurance
21 company, its number, the name of the company and the amount due.

22 (2) The administrator shall deposit in the general fund an amount equal to all
23 of the following:

24 (a) Expenses of sale of abandoned property.

25 (b) Costs of mailing and publication in connection with abandoned property

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1 (c) Reasonable service charges.

2 (d) Expenses incurred in examining records of holders of property and in
3 collecting the property from those holders.

4 (e) Salaries of the employes of the administrator ^{that} ~~which~~ are attributable to the
5 administration of this chapter.

6 **177.24 Filing of claim with administrator; handling of claims by**
7 **administrator. (1)** A person, excluding another state, claiming property paid or
8 delivered to the administrator may file a claim on a form prescribed by the
9 administrator and verified by the claimant.

10 (2) Within 90 days after a claim is filed, the administrator shall allow or deny
11 the claim and give written notice of the decision to the claimant. If the claim is
12 denied, the administrator shall inform the claimant of the reasons for the denial and
13 specify what additional evidence is required before the claim will be allowed. The
14 claimant may then file a new claim with the administrator or maintain an action
15 under s. 177.26. ✓

16 (3) Within 30 days after a claim is allowed, the property or the net proceeds of
17 a sale of the property must be delivered or paid by the administrator to the claimant,
18 together with any dividend, interest or other increment to which the claimant is
19 entitled under ss. 177.21^J and 177.22. ✓

20 (4) A holder ^{that} who pays the owner for property that has been delivered to this
21 state and ~~which~~ ^{which}, if claimed from the administrator by the owner [↑] would be subject to
22 an increment under ss. 177.21 and 177.22. ^g may recover from the administrator the
23 amount of the increment.

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1 **177.25 Claim of another state to recover property. (1)** After property has
2 been paid or delivered to the administrator under this chapter, another state may
3 recover the property if any of the following circumstances occur:

4 (a) The property was paid or delivered to the custody of this state because the
5 records of the holder did not reflect a last-known location of the apparent owner
6 within the borders of the other state and the other state establishes that the apparent
7 owner or other person entitled to the property was last known to be located within
8 the borders of that state and under the laws of that state the property has escheated
9 or become subject to a claim of abandonment by that state.

10 (b) The property was paid or delivered to the custody of this state because the
11 laws of the other state did not provide for the escheat or custodial taking of the
12 property and, under the laws of that state subsequently enacted, the property has
13 escheated or become subject to a claim of abandonment by that state.

14 (c) The records of the holder were erroneous in that they did not accurately
15 identify the owner of the property and the last-known location of the owner within
16 the borders of another state and under the laws of that state the property has
17 escheated or become subject to a claim of abandonment by that state.

18 (d) The property was subjected to custody by this state under s. 177.03 (6) ✓ and
19 under the laws of the state of domicile of the holder the property has escheated or
20 become subject to a claim of abandonment by that state.

21 (e) The property is a sum payable on a traveler's check, money order or similar
22 instrument that was purchased in the other state and delivered into the custody of
23 this state under s. 177.03 (7), ✓ and under the laws of the other state the property has
24 escheated or become subject to a claim of abandonment by that state.

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1 (2) A claim of another state to recover escheated or abandoned property must
2 be presented in a form prescribed by the administrator, who shall decide the claim
3 within 90 days after it is presented. The administrator shall allow the claim upon
4 determining that the other state is entitled to the abandoned property under sub. (1).✓

5 (3) The administrator shall require another state, before recovering property
6 under this section,✓ to agree to indemnify this state and its officers and employes
7 against any liability on a claim to the property.

8 **177.26 Action to establish claim.** A person aggrieved by a decision of the
9 administrator or whose claim has not been acted upon within 90 days after its filing
10 may maintain an original action to establish the claim in the circuit court, naming
11 the administrator as a defendant. If the aggrieved person establishes the claim in
12 an action against the administrator, the court may award the claimant reasonable
13 attorney's fees.

14 **177.27 Election to take payment or delivery. (1)** The administrator may
15 decline to receive property reported under this chapter ^{that} ~~which~~ the administrator
16 considers to have a value less than the expenses of notice and sale.

17 (2) A holder, with the written consent of the administrator and upon conditions
18 and terms prescribed by the administrator, may report and deliver property before
19 the property is presumed abandoned. Property so delivered must be held by the
20 administrator and is not presumed abandoned until it otherwise would be presumed
21 abandoned under this chapter.✓

22 **177.28 Destruction or disposition of property having no substantial**
23 **commercial value; immunity from liability,** If the administrator determines
24 after investigation that property delivered under this chapter has no substantial
25 commercial value, the administrator may destroy or otherwise dispose of the

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property at any time. An action or proceeding may not be maintained against this state or any officer or against the holder for or on account of an act of the administrator under this section, except for intentional misconduct or malfeasance.

177.29 Periods of limitation. (1) The expiration, before, on or after the effective date of this subsection [revisor inserts date], of a period of limitation on the owner's right to receive or recover property, whether specified by contract, statute or court order, does not preclude the property from being presumed abandoned or affect a duty to file a report or to pay or deliver or transfer property to the administrator as required by this chapter.

(2) An action or proceeding may not be maintained by the administrator to enforce this chapter in regard to the reporting, delivery or payment of property more than 10 years after the holder specifically identified the property in a report filed with the administrator or gave express notice to the administrator of a dispute regarding the property. In the absence of such a report or other express notice, the period of limitation is tolled. The period of limitation is also tolled by the filing of a report that is fraudulent.

177.30 Requests for reports and examination of records. (1) The administrator may require a person that has not filed a report, or a person that the administrator believes has filed an inaccurate, incomplete or false report, to file a verified report in a form specified by the administrator. The report must state whether the person is holding property reportable under this chapter, describe property not previously reported or as to which the administrator has made inquiry, and specifically identify and state the amounts of property that may be in issue.

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1 (2) The administrator, at reasonable times and upon reasonable notice, may
2 examine the records of any person to determine whether the person has complied
3 with this chapter. The administrator may conduct the examination even if the
4 person believes it is not in possession of any property that must be reported, paid or
5 delivered under this chapter. The administrator may contract with any other person
6 to conduct the examination on behalf of the administrator.

7 (3) The administrator, at reasonable times, may examine the records of an
8 agent, including a dividend disbursing agent or transfer agent, of a business
9 association or financial association that is the holder of property presumed
10 abandoned if the administrator has given the notice required by sub. (2) to both the
11 association or organization and the agent at least 90 days before the examination.

12 (4) Documents and working papers obtained or compiled by the administrator,
13 or the administrator's agents, employees or designated representatives, in the course
14 of conducting an examination are confidential and are not public records, but the
15 documents and papers may be used, produced and disclosed as follows:

16 (a) Used by the administrator in the course of an action to collect unclaimed
17 property or ^{to} otherwise enforce this chapter.

18 (b) Used in joint examinations conducted with or pursuant to an agreement
19 with another state, the federal government, or any other governmental subdivision,
20 agency or instrumentality

21 (c) Produced pursuant to subpoena or court order.

22 (d) Disclosed to the abandoned property office of another state for that state's
23 use in circumstances equivalent to those described in this subsection, if the other
24 state is bound to keep the documents and papers confidential.

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1 (5) If an examination of the records of a person results in the disclosure of
2 property reportable under this chapter, the administrator may assess the cost of the
3 examination against the holder at the rate of \$200 a day for each examiner, or a
4 greater amount that is reasonable and was incurred, but the assessment may not
5 exceed the value of the property found to be reportable. The cost of an examination
6 made pursuant to sub. (3)^v may be assessed only against the business association or
7 financial organization.

8 (6) If, after the effective date of this subsection . . . [revisor inserts date], a
9 holder does not maintain the records required by s. 177.31^v and the records of the
10 holder available for the periods subject to this chapter are insufficient to permit the
11 preparation of a report, the administrator may require the holder to report and pay
12 to the administrator the amount the administrator reasonably estimates, on the
13 basis of any available records of the holder or by any other reasonable method of
14 estimation, should have been but was not reported.

15 **177.31 Retention of records. (1)** Except as otherwise provided in sub. (2)^v,
16 a holder required to file a report under s. 177.17^J shall maintain the records
17 containing the information required to be included in the report for 10 years after the
18 holder files the report, unless a shorter period is provided by rule of the
19 administrator.

20 (2) A business association or financial organization that sells, issues or
21 **provides to others for sale or issue in this** state, traveler's checks, money orders or
22 similar instruments other than third-party bank checks, on which the business
23 association or financial organization is directly liable, shall maintain a record of the
24 instruments while they remain outstanding, indicating the state and date of issue,
25 for 3 years.

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1 **177.32 Enforcement.** The administrator may maintain an action in this or
2 another state to enforce this chapter. The court may award reasonable attorney's
3 fees to the prevailing party.

4 **177.33 Interstate agreements and cooperation; joint and reciprocal**
5 **actions with other states. (1)** The administrator may enter into an agreement
6 with another state to exchange information relating to abandoned property or its
7 possible existence. The agreement may permit the other state, or another person
8 acting on behalf of a state, to examine records as authorized in s. 177.30. The
9 administrator by rule may require the reporting of information needed to enable
10 compliance with an agreement made under this section and prescribe the form.

11 (2) The administrator may join with another state to seek enforcement of this
12 chapter against any person who is or may be holding property reportable under this
13 chapter.

14 (3) At the request of another state, the attorney general of this state may
15 maintain an action on behalf of the other state to enforce, in this state, the unclaimed
16 property laws of the other state against a holder of property subject to escheat or a
17 claim of abandonment by the other state, if the other state has agreed to pay expenses
18 incurred by the attorney general in maintaining the action.

19 (4) The administrator may request that the attorney general of another state
20 or another attorney commence an action in the other state on behalf of the
21 administrator. With the approval of the attorney general of this state, the
22 administrator may retain any other attorney to commence an action in this state on
23 behalf of the administrator. This state shall pay all expenses, including attorney's
24 fees, in maintaining an action under this subsection. With the administrator's
25 approval, the expenses and attorney's fees may be paid from money received under

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1 this chapter. The administrator may agree to pay expenses and attorney's fees based
2 in whole or in part on a percentage of the value of any property recovered in the
3 action. Any expenses or attorney's fees paid under this subsection may not be
4 deducted from the amount that is subject to the claim by the owner under this
5 chapter.

6 **177.34 Interest and penalties. (1)** A holder who fails to report, pay or deliver
7 property within the time prescribed by this chapter shall pay to the administrator
8 interest at the annual rate of 18% on the property or value thereof from the date the
9 property should have been reported, paid or delivered.

10 (2) Except as otherwise provided in sub. (3), a holder who fails to report, pay
11 or deliver property within the time prescribed by this chapter, or fails to perform
12 other duties imposed by this chapter, shall pay to the administrator, in addition to
13 interest as provided in sub. (1), a civil penalty of \$200 for each day the report,
14 payment or delivery is withheld, or the duty is not performed, up to a maximum of
15 \$5,000.

16 (3) A holder who wilfully fails to report, pay or deliver property within the time
17 prescribed by this chapter, or wilfully fails to perform other duties imposed by this
18 chapter, shall pay to the administrator, in addition to interest as provided in sub. (1),
19 a civil penalty of \$1,000 for each day the report, payment or delivery is withheld, or
20 the duty is not performed, up to a maximum of \$25,000, plus 25% of the value of any
21 property that should have been but was not reported.

22 (4) A holder who makes a fraudulent report shall pay to the administrator, in
23 addition to interest as provided in sub. (1), a civil penalty of \$1,000 for each day from
24 the date a report under this chapter was due, up to a maximum of \$25,000, plus 25%
25 of the value of any property that should have been but was not reported.

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1 (5) The administrator for good cause may waive, in whole or in part, interest
2 under sub. (1) and penalties under subs. (2) and (3), and shall waive penalties if the
3 holder acted in good faith and without negligence.

4 **177.35 Agreement to locate property. (1)** An agreement by an owner, the
5 primary purpose of which is to locate, deliver, recover or assist in the recovery of
6 property that is presumed abandoned, is void and unenforceable if it was entered into
7 during the period commencing on the date the property was presumed abandoned
8 and extending to a time that is 24 months after the date the property is paid or
9 delivered to the administrator. This subsection does not apply to an owner's
10 agreement with an attorney to file a claim as to identified property or contest the
11 administrator's denial of a claim.

12 (2) An agreement by an owner, the primary purpose of which is to locate,
13 deliver, recover or assist in the recovery of property, is enforceable only if the
14 agreement is in writing, clearly sets forth the nature of the property and the services
15 to be rendered, is signed by the apparent owner and states the value of the property
16 before and after the fee or other compensation has been deducted.

17 (3) If an agreement covered by this section applies to mineral proceeds and the
18 agreement contains a provision to pay compensation that includes a portion of the
19 underlying minerals or any mineral proceeds not then presumed abandoned, the
20 provision is void and unenforceable.

21 (4) An agreement covered by this section ^{that} ~~which~~ provides for compensation that
22 is unconscionable is unenforceable except by the owner. An owner ^{who} ~~has~~ agreed
23 to pay compensation that is unconscionable, or the administrator on behalf of the
24 owner, may maintain an action to reduce the compensation to a conscionable

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1 amount. The court may award reasonable attorney's fees to an owner who prevails
2 in the action.

3 (5) This section does not preclude an owner from asserting that an agreement
4 covered by this section is invalid on grounds other than unconscionable
5 compensation.

6 **177.36 Foreign transactions.** This chapter does not apply to property held,
7 due and owing in a foreign country and arising out of a foreign transaction.

8 **177.37 Transitional provisions. (1)** An initial report filed under this
9 chapter for property that was not required to be reported before the effective date of
10 this subsection [revisor inserts date] but which is subject to this chapter must
11 include all items of property that would have been presumed abandoned during the
12 10-year period next preceding the effective date of this subsection [revisor inserts
13 date], as if this chapter had been in effect during that period.

14 (2) This chapter does not relieve a holder of a duty that arose before the
15 effective date of this subsection [revisor inserts date] to report, pay or deliver
16 property. Except as otherwise provided in s. 177.29 (2), a holder who did not comply
17 with ch. 177, 1997 stats., before the effective date of this subsection [revisor
18 inserts date], is subject to the applicable provisions for enforcement and penalties
19 which that then existed, which are continued in effect for the purpose of this section.

20 **177.38 Rules.** The administrator may adopt rules pursuant to ch. 227
21 necessary to carry out this chapter.

22 **177.40 Uniformity of application and construction.** This chapter shall
23 be applied and construed to effectuate its general purpose to make uniform the law
24 with respect to the subject of this chapter among states enacting it.

Handwritten notes and signature:
A circle around the word "which" in line 19 with the word "that" written above it.
A circle around the words "which are continued in effect" in line 19 with "PROVIDED" written inside the circle.
A large signature "Slet" at the bottom of the page.

**SUBMITTAL
FORM**

LEGISLATIVE REFERENCE BUREAU
Legal Section Telephone: 266-3561
5th Floor, 100 N. Hamilton Street

The attached draft is submitted for your inspection. Please check each part carefully, proofread each word, and **sign** on the appropriate line(s) below.

Date: 02/02/2000

To: Senator George

Relating to LRB drafting number: LRB-1447

Topic

Uniform Unclaimed Property Act (1995)

Subject(s)

Fin. Inst. - banking inst., Fin. Inst. - ~~miscellaneous~~ Fin. Inst. - securities

1. **JACKET** the draft for introduction _____
in the **Senate** ___ or the **Assembly** (check only one). Only the requester under whose name the
drafting request is entered in the LRB's drafting records ** send to Sundrum's office ** may authorize the draft to be submitted. Please
allow one day for the preparation of the required copies.

2. **REDRAFT.** See the changes indicated or attached _____.

A revised draft will be submitted for your approval with changes incorporated.

3. Obtain **FISCAL ESTIMATE NOW**, prior to introduction _____

If the analysis indicates that a fiscal estimate is required because the proposal makes an appropriation or increases or decreases existing appropriations or state or general local government fiscal liability or revenues, you have the option to request the fiscal estimate prior to introduction. If you choose to introduce the proposal without the fiscal estimate, the fiscal estimate will be requested automatically upon introduction. It takes about 10 days to obtain a fiscal estimate. Requesting the fiscal estimate prior to introduction retains your flexibility for possible redrafting of the proposal.

If you have any questions regarding the above procedures, please call 266-3561. If you have any questions relating to the attached draft, please feel free to call me.

Attorney Peter J. Dykman, General Counsel
Telephone: (608) 266-7098