

1 ***b1314/2.5* 1514.** Page 972, line 7: after that line insert:

2 ***b1314/2.5* “SECTION 2882f.** 175.35 (2i) of the statutes is amended to read:

3 175.35 (2i) The department shall may not charge a ~~firearms dealer an \$8 fee~~
4 for each a firearms restrictions record search ~~that the firearms dealer requests~~
5 requested under sub. (2) (c). ~~The firearms dealer may collect the fee from the~~
6 transferee. ~~The department may refuse to conduct firearms restrictions record~~
7 searches for any firearms dealer who fails to pay any fee under this subsection within
8 30 days after billing by the department.

9 ***b1314/2.5* SECTION 2882g.** 175.35 (2L) of the statutes is renumbered 175.35
10 (2L) (a) and amended to read:

11 175.35 (2L) (a) The department of justice shall promulgate rules providing for
12 the review of nonapprovals under sub. (2g) (c) 4. a. and for the correction of inaccurate
13 information under par. (b). Any person who is denied the right to purchase a
14 handgun because the firearms dealer received a nonapproval number under sub. (2g)
15 (c) 4. a. may request a firearms restrictions record search review under those rules.
16 If the person disagrees with the results of that review, the person may file an appeal
17 under rules promulgated by the department.

18 ***b1314/2.5* SECTION 2882h.** 175.35 (2L) (b) of the statutes is created to read:

19 175.35 (2L) (b) If, upon review or appeal under par. (a), the department of
20 justice determines that a person was incorrectly denied approval under sub. (2g) (c)
21 4. a. based on incorrect information in a criminal history record or incorrect
22 information received in a firearms restrictions record search, the department of
23 justice shall immediately do all of the following:

1 1. Update any relevant department of justice records to reflect the correct
2 information.

3 2. Notify the agency that provided the incorrect information to the department
4 of justice that the information provided is incorrect and request that the agency
5 update its records to reflect the correct information.

6 3. Notify any agency or person to which the department of justice provided
7 notice of the nonapproval under sub. (2g) (c) 4. a. that the nonapproval was based on
8 incorrect information and that it has been reversed.”.

9 ***b1609/2.1* 1515.** Page 983, line 3: after that line insert:

10 ***b1609/2.1*** “SECTION 2917c. 180.0121 (1) (a) 4. of the statutes is created to
11 read:

12 180.0121 (1) (a) 4. An application for a certificate of conversion under s.
13 180.1161 (5).

14 ***b1609/2.1* SECTION 2917r.** 180.0122 (1) (yr) of the statutes is created to read:

15 180.0122 (1) (yr) A certificate of conversion, \$150.”.

16 ***b1524/1.11* 1516.** Page 983, line 18: after that line insert:

17 ***b1524/1.11*** “SECTION 2920c. 180.0701 (4) (c) of the statutes is amended to
18 read:

19 180.0701 (4) (c) Ratification of the selection of independent certified public
20 accountants licensed or certified under ch. 442.

21 ***b1524/1.11* SECTION 2920g.** 180.0826 (2) of the statutes is amended to read:

22 180.0826 (2) Legal counsel, certified public accountants licensed or certified
23 under ch. 442, or other persons as to matters that the director or officer believes in
24 good faith are within the person’s professional or expert competence.

1 ***b1524/1.11* SECTION 2920n.** 180.1903 (1) of the statutes is amended to read:
2 180.1903 (1) ~~One~~ Except as provided in sub. (1m), one or more natural persons
3 licensed, certified, or registered pursuant to any provisions of the statutes, if all have
4 the same license, certificate, or registration or if all are health care professionals,
5 may organize and own shares in a service corporation. A service corporation may
6 own, operate, and maintain an establishment and otherwise serve the convenience
7 of its shareholders in carrying on the particular profession, calling, or trade for which
8 the licensure, certification, or registration of its organizers is required.

9 ***b1524/1.11* SECTION 2920r.** 180.1903 (1m) of the statutes is created to read:
10 180.1903 (1m) A service corporation for carrying on the profession of certified
11 public accounting may be organized under sub. (1) if more than 50% of the
12 shareholders are certified public accountants.

13 ***b1524/1.11* SECTION 2920w.** 180.1921 (2) of the statutes is amended to read:
14 180.1921 (2) The report shall show the address of this service corporation's
15 principal office and the name and post-office address of each shareholder, director,
16 and officer of the service corporation and shall certify that, with the exceptions
17 permitted in ~~s.~~ ss. 180.1903 (1m) and 180.1913, each shareholder, director, and
18 officer is licensed, certified, registered, or otherwise legally authorized to render the
19 same professional or other personal service in this state or is a health care
20 professional. The service corporation shall prepare the report on forms prescribed
21 and furnished by the department, and the report shall contain no fiscal or other
22 information except that expressly called for by this section. The department shall
23 forward report blanks by 1st class mail to every service corporation in good standing,
24 at least 60 days before the date on which the service corporation is required by this
25 section to file an annual report.”.

1 ***b1609/2.2* 1517.** Page 983, line 18: after that line insert:

2 ***b1609/2.2*** “SECTION 2920e. Subchapter XI (title) of chapter 180 [precedes
3 180.1100] of the statutes is amended to read:

4 **CHAPTER 180**

5 SUBCHAPTER XI

6 MERGER AND, SHARE

7 EXCHANGE, AND CONVERSION

8 ***b1609/2.2* SECTION 2920h.** 180.1100 of the statutes is created to read:

9 **180.1100 Definitions.** In this subchapter:

10 (1) “Business entity” means a domestic business entity and a foreign business
11 entity.

12 (2) “Domestic business entity” includes a corporation, limited liability
13 company, as defined in s. 183.0102 (10), a limited partnership, as defined in s. 179.01
14 (7), or a nonstock corporation, as defined in s. 181.0103 (18).

15 (3) “Foreign business entity” includes a foreign limited liability company, as
16 defined in s. 183.0102 (8), a foreign limited partnership, as defined in s. 179.01 (4),
17 a foreign corporation, as defined in s. 180.0103 (9), or a foreign corporation, as
18 defined in s. 181.0103 (13).

19 ***b1609/2.2* SECTION 2920r.** 180.1161 of the statutes is created to read:

20 **180.1161 Conversion.** (1) (a) A domestic corporation may convert to another
21 form of business entity if it satisfies the requirements under this section and if the
22 conversion is permitted under the applicable law of the jurisdiction that governs the
23 organization of the business entity into which the domestic corporation is converting.

1 (b) In addition to satisfying any applicable legal requirements of the
2 jurisdiction that governs the organization of the business entity into which the
3 domestic corporation is converting and that relate to the submission and approval
4 of a plan of conversion, the domestic corporation shall use the procedures that govern
5 a plan of merger under s. 180.1103 for the submission and approval of a plan of
6 conversion.

7 **(2)** (a) A business entity other than a domestic corporation may convert to a
8 domestic corporation if it satisfies the requirements under this section and if the
9 conversion is permitted under the applicable law of the jurisdiction that governs the
10 business entity.

11 (b) A business entity other than a domestic corporation shall use the procedures
12 that govern the submission and approval of a plan of conversion of the jurisdiction
13 that governs the business entity.

14 **(3)** A plan of conversion shall set forth all of the following:

15 (a) The name, form of business entity, and the identity of the jurisdiction
16 governing the business entity that is to be converted.

17 (b) The name, form of business entity, and the identity of the jurisdiction that
18 will govern the new business entity.

19 (c) The terms and conditions of the conversion.

20 (d) The manner and basis of converting the shares or other ownership interests
21 of the business entity that are to be converted into the shares or other ownership
22 interests of the new business entity.

23 (e) The delayed effective date of the conversion under s. 180.0123 (2), if
24 applicable.

1 (f) If a business entity other than a domestic corporation is converting to a
2 domestic corporation, a copy of the articles of incorporation of the new domestic
3 corporation.

4 (g) Other provisions relating to the conversion.

5 **(4)** A conversion is effective when all of the following occur:

6 (a) Except with respect to taxation laws of each jurisdiction that are applicable
7 upon the conversion of the business entity, the business entity that is to be converted
8 is no longer subject to the applicable law of the jurisdiction that governed the
9 organization of the business entity and is subject to the applicable law of the
10 jurisdiction that governs the new business entity.

11 (b) The new business entity has assumed all liabilities of the business entity
12 that is to be converted.

13 (c) The new business entity is vested with title to all property owned by the
14 business entity that is to be converted without reversions or impairment.

15 (d) The articles of incorporation, articles of organization, bylaws, operating
16 agreement, certificate of limited partnership, or other similar governing document,
17 whichever is applicable, of the new business entity are amended as provided in the
18 plan of conversion.

19 (e) All other provisions of the plan of conversion apply.

20 **(5)** After a plan of conversion is submitted and approved, the business entity
21 that is to be converted shall deliver to the department for filing a certificate of
22 conversion that includes all of the following:

23 (a) The plan of conversion.

1 (b) A statement that the plan of conversion was approved in accordance with
2 the applicable law of the jurisdiction that governs the organization of the business
3 entity.

4 (c) The delayed effective date of the conversion under s. 180.0123 (2), if
5 applicable.

6 (d) If a business entity other than a domestic corporation is converting to a
7 domestic corporation, a copy of the articles of incorporation of the new domestic
8 corporation.

9 (e) If a domestic corporation is to be converted to another form of business
10 entity, a copy of the articles of incorporation, articles of organization, bylaws,
11 operating agreement, certificate of limited partnership, or other similar governing
12 document, whichever is applicable, of the new business entity.

13 (6) Any civil, criminal, administrative, or investigatory proceeding that is
14 pending against a business entity that is to be converted may be continued against
15 the business entity after the effective date of conversion or against the new business
16 entity.”

17 *b1524/1.12* **1518.** Page 984, line 10: after that line insert:

18 *b1524/1.12* “SECTION 2923g. 181.0850 (2) of the statutes is amended to read:

19 181.0850 (2) PROFESSIONALS AND EXPERTS. Legal counsel, certified public
20 accountants licensed or certified under ch. 442, or other persons as to matters the
21 director or officer believes in good faith are within the person’s professional or expert
22 competence.

23 *b1524/1.12* SECTION 2923r. 181.1620 (2) (intro.) of the statutes is amended
24 to read:

1 181.1620 (2) (intro.) ~~ACCOUNTANT'S~~ CERTIFIED PUBLIC ACCOUNTANT'S REPORT OR
2 OFFICER'S STATEMENT. If annual financial statements are reported upon by a certified
3 public accountant licensed or certified under ch. 442, the certified public
4 accountant's report must accompany them. If not, the statements must be
5 accompanied by a statement of the president or the person responsible for the
6 corporation's financial accounting records that includes all of the following:".

7 ***b1519/2.235* 1519.** Page 985, line 2: after that line insert:

8 ***b1519/2.235*** "SECTION 2924p. 182.70 (1) (d) of the statutes is amended to
9 read:

10 182.70 (1) (d) "Department" means the department of ~~natural resources~~
11 environmental management.

12 ***b1519/2.235* SECTION 2924r.** 182.70 (3) (a) 1. of the statutes is amended to
13 read:

14 182.70 (3) (a) 1. The company may create, acquire or lease an entire reservoir
15 project or otherwise maintain, operate or control a system of water reservoirs located
16 in or along the Wisconsin ~~river~~ River. These reservoirs shall be located north of
17 township 37 north in or along the Wisconsin River, and in or along any tributary of
18 the Wisconsin River that discharges into the river at any point north of the south line
19 of township 23 north. The company may create, acquire, maintain and operate
20 waterways to divert flood waters from or to the Wisconsin River to or from reservoirs
21 on other rivers. Diversion of flood waters shall be subject to approval by the
22 department, in consultation with the department of fish, wildlife, parks, and
23 forestry. The company may construct, acquire and maintain dams, booms and other
24 structures in, along or across this portion of the Wisconsin River and its tributaries

1 to accomplish the purposes of this section. The company may clean out, straighten,
2 deepen or otherwise improve any tributary to improve navigation of the tributary or
3 of the Wisconsin River, or to prevent injury to property bordering on the rivers.

4 ***b1519/2.235* SECTION 2924t.** 182.71 (1) (c) of the statutes is amended to read:

5 182.71 (1) (c) “Department” means the department of ~~natural resources~~
6 environmental management.

7 ***b1519/2.235* SECTION 2924v.** 182.71 (7) of the statutes is amended to read:

8 182.71 (7) (a) The commission shall appraise and fix the price of any dam, land
9 or flowage rights to be purchased by the company under this section. The
10 commission shall approve any lease of property by the company prior to the payment
11 of rent. The commission may require the department or the department of fish,
12 wildlife, parks, and forestry to aid in appraising the value of the land.

13 (b) If the company intends to acquire and overflow property, the commission
14 shall approve the need to overflow the property. The department, in consultation
15 with the department of fish, wildlife, parks, and forestry shall mark the height to
16 which any dam may raise the water level by permanent monuments and bench
17 marks, shall supervise and control the time and extent of the drawing of water from
18 the reservoirs, and may compel the maintenance of all reservoirs established. The
19 commission and the department may employ, at the expense of the company,
20 hydraulic engineers and other persons to assist in obtaining information necessary
21 to enforce this section. The cost of hiring the engineers shall be included as a part
22 of the cost of construction or maintenance and operation of the reservoir system.”.

23 ***b1609/2.3* 1520.** Page 985, line 2: after that line insert:

1 ***b1609/2.3*** **SECTION 2925c.** 183.0109 (1) (a) 5. of the statutes is created to
2 read:

3 183.0109 (1) (a) 5. An application for a certificate of conversion under s.
4 183.1207 (5).

5 ***b1609/2.3*** **SECTION 2925r.** 183.0114 (1) (mp) of the statutes is created to read:
6 183.0114 (1) (mp) A certificate of conversion filed under s. 183.1207 (5), \$150.”.

7 ***b1481/2.1*** **1521.** Page 985, line 9: after that line insert:

8 ***b1481/2.1*** **SECTION 2932h.** 185.61 (1) of the statutes is amended to read:

9 185.61 (1) (a) If otherwise lawful, any 2 or more associations may merge or
10 consolidate under this chapter or under the law of the state where the surviving or
11 new association will exist.

12 (b) Before a cooperative may merge or consolidate with any other association,
13 a written plan of merger or consolidation shall be prepared by the board or by a
14 committee selected by the board or the members for that purpose. The plan shall set
15 forth all the terms of the merger or consolidation, including any provisions for
16 abandonment of the plan, and the proposed effect of the plan on all members and
17 stockholders of the cooperative, including the treatment of the equity interest of the
18 members upon merger or consolidation.

19 (c) In case of consolidation, the plan of consolidation shall also contain the
20 articles of the new association.

21 ***b1481/2.1*** **SECTION 2932r.** 185.62 (5) of the statutes is created to read:

22 185.62 (5) The surviving association, in the case of a merger, or the new
23 association, in the case of consolidation, shall prepare an annual report on the
24 implementation of any provision in the plan of merger or consolidation to retire or

1 repurchase the equity interest of any member that was affected by the merger or
2 consolidation. The report shall be kept in the principal office of the surviving
3 association, in the case of a merger, or in the principal office of the new association,
4 in the case of consolidation, and shall be available for inspection by any member
5 whose equity interest was affected by the merger or consolidation. The surviving
6 association, in the case of a merger, or the new association, in the case of
7 consolidation, shall prepare the report until such time that the implementation of
8 any provision in the plan of merger or consolidation to retire or repurchase the equity
9 interest of any member that was affected by the merger or consolidation is
10 complete.”.

11 *b1524/1.13* **1522.** Page 985, line 9: after that line insert:

12 *b1524/1.13* “**SECTION 2932m.** 185.363 (2) of the statutes is amended to read:
13 185.363 (2) Legal counsel, certified public accountants licensed or certified
14 under ch. 442, or other persons as to matters the director or officer believes in good
15 faith are within the person’s professional or expert competence.”.

16 *b1609/2.4* **1523.** Page 985, line 9: after that line insert:

17 *b1609/2.4* “**SECTION 2928L.** 183.0204 of the statutes is repealed and
18 recreated to read:

19 **183.0204 Effect of delivery or filing of articles of organization and**
20 **other documents.** (1) (a) A limited liability company is formed when the articles
21 of organization become effective under s. 183.0111.

22 (b) The department’s filing of the articles of organization is conclusive proof
23 that the limited liability company is organized and formed under this chapter.

1 (c) The status of a limited liability company as a limited liability company or
2 as a foreign limited liability company registered to transact business in this state and
3 the liability of any member of any such limited liability company is not adversely
4 affected by errors or subsequent changes in any information stated in any filing
5 made under this chapter.

6 (2) The department's filing of the articles of organization of a foreign limited
7 liability company under s. 183.1004 shall be considered the certificate of authority
8 for that foreign limited liability company to transact business in this state and is
9 notice of all other facts set forth in the registration statement.

10 (3) (a) If a limited liability company or a foreign limited liability company that
11 is registered to transact business in this state dissolves, but its business continues
12 without winding up and without liquidating the company, the status of the limited
13 liability company or foreign limited liability company before dissolution shall
14 continue to be applicable to the company as it continues its business, and the
15 company shall not be required to make any new filings under this chapter. Any
16 filings made by such a limited liability company or foreign limited liability company
17 before dissolution shall be considered to have been filed by the company while it
18 continues its business.

19 (b) If a limited liability company or a foreign limited liability company that is
20 registered to transact business in this state dissolves, any filings made by the
21 company before dissolution remain in effect as to the company and its members
22 during the period of winding up and to the members during the period after the
23 company's liquidation or termination with respect to the liabilities of the company.

24 *b1609/2.4* SECTION 2928n. 183.0404 (2) (fm) of the statutes is created to
25 read:

1 183.0404 (2) (fm) Convert to a new form of business entity under s. 183.1207.

2 *b1609/2.4* SECTION 2929b. 183.0504 of the statutes is created to read:

3 **183.0504 Series of members, managers, or limited liability company**
4 **interests.** An operating agreement may establish, or provide for the establishment
5 of, designated series or classes of members, managers, or limited liability company
6 interests that have separate or different preferences, limitations, rights, or duties,
7 with respect to profits, losses, distributions, voting, property, or other incidents
8 associated with the limited liability company.

9 *b1609/2.4* SECTION 2929bm. 183.0802 (3) of the statutes is amended to read:

10 183.0802 (3) (a) Except as provided in par. (b), ~~unless an operating agreement~~
11 ~~provides that a member does not have the power to withdraw by voluntary act from~~
12 ~~a limited liability company, the~~ a member may do so voluntarily withdraw from a
13 limited liability company at any time by giving written notice to the other members,
14 or on any other terms as are provided in an operating agreement. ~~If the member has~~
15 ~~the power to withdraw but the withdrawal is a breach of an operating agreement or~~
16 the withdrawal occurs as a result of otherwise wrongful conduct of the member, the
17 limited liability company may recover from the withdrawing member damages ~~for~~
18 ~~breach of the operating agreement or~~ as a result of the wrongful conduct and may
19 offset the damages against the amount otherwise distributable to the member, in
20 addition to pursuing any remedies provided for in an operating agreement or
21 otherwise available under applicable law. ~~Unless otherwise provided in an operating~~
22 ~~agreement, in the case of a limited liability company for a definite term or particular~~
23 ~~undertaking, a withdrawal by a member before the expiration of that term or~~
24 ~~completion of that undertaking is a breach of the operating agreement.~~

1 (b) If a member acquired an interest in a limited liability company for no or
2 nominal consideration or owns an interest as to which the power to withdraw is
3 restricted in the operating agreement, the member may withdraw from the limited
4 liability company, or with respect to the interest, only in accordance with the
5 operating agreement and only at the time or upon the occurrence of an event
6 specified in the operating agreement. If the operating agreement does not specify the
7 time or the event upon the occurrence of which the member may withdraw, a member
8 who acquired an interest in the limited liability company for no or nominal
9 consideration may not withdraw prior to the time for the dissolution and
10 commencement of winding up of the limited liability company without the written
11 consent of all members of the limited liability company. Unless otherwise provided
12 in an operating agreement, in the case of a limited liability company that is organized
13 for a definite term or particular undertaking, the operating agreement shall be
14 considered to provide that a member may not withdraw before the expiration of that
15 term or completion of that undertaking.

16 *b1609/2.4* SECTION 2929c. 183.0901 (4) (intro.) of the statutes is amended
17 to read:

18 183.0901 (4) (intro.) ~~An~~ For a limited liability company organized before the
19 effective date of this subsection [revisor inserts date], an event of dissociation of
20 a member, unless any of the following applies:

21 *b1609/2.4* SECTION 2929d. 183.1001 (1) of the statutes is amended to read:

22 183.1001 (1) The laws of the state or other jurisdiction under which a foreign
23 limited liability company is organized shall govern its organization and internal
24 affairs and the liability and authority of its managers and members, regardless of
25 whether the foreign limited liability company obtained or should have obtained a

1 certificate of registration under this chapter, except that a foreign limited liability
2 company that has filed a certificate of conversion under s. 183.1207 (5) to become a
3 domestic limited liability company shall be subject to the requirements of this
4 chapter governing domestic limited liability companies on the effective date of the
5 conversion and shall not be subject to the requirements of this chapter governing
6 foreign limited liability companies.

7 *b1609/2.4* SECTION 2929f. Subchapter XII (title) of chapter 183 [precedes
8 183.1200] of the statutes is amended to read:

9 **CHAPTER 183**

10 **SUBCHAPTER XII**

11 **MERGER AND CONVERSION**

12 *b1609/2.4* SECTION 2929n. 183.1200 of the statutes is created to read:

13 **183.1200 Definitions.** In this subchapter:

14 (1) “Business entity” means a domestic business entity and a foreign business
15 entity.

16 (2) “Domestic business entity” includes a corporation, a domestic limited
17 liability company, a limited partnership, as defined in s. 179.01 (7), or a nonstock
18 corporation, as defined in s. 181.0103 (18).

19 (3) “Foreign business entity” includes a foreign limited liability company, a
20 foreign limited partnership, as defined in s. 179.01 (4), a foreign corporation, as
21 defined in s. 180.0103 (9), or a foreign corporation, as defined in s. 181.0103 (13).

22 *b1609/2.4* SECTION 2929r. 183.1207 of the statutes is created to read:

23 **183.1207 Conversion.** (1) (a) A domestic limited liability company may
24 convert to another form of business entity if it satisfies the requirements under this
25 section and if the conversion is permitted under the applicable law of the jurisdiction

1 that governs the organization of the business entity into which the domestic limited
2 liability company is converting.

3 (b) In addition to satisfying any applicable legal requirements of the
4 jurisdiction that governs the organization of the business entity into which the
5 domestic limited liability company is converting and that relate to the submission
6 and approval of a plan of conversion, the domestic limited liability company shall use
7 the procedures that govern a plan of merger under s. 183.1202 for the submission and
8 approval of a plan of conversion.

9 (2) (a) A business entity other than a domestic limited liability company may
10 convert to a domestic limited liability company if it satisfies the requirements under
11 this section and if the conversion is permitted under the applicable law of the
12 jurisdiction that governs the business entity.

13 (b) A business entity other than a domestic limited liability company shall use
14 the procedures that govern the submission and approval of a plan of conversion of
15 the jurisdiction that governs the business entity.

16 (3) A plan of conversion shall set forth all of the following:

17 (a) The name, form of business entity, and the identity of the jurisdiction
18 governing the business entity that is to be converted.

19 (b) The name, form of business entity, and the identity of the jurisdiction that
20 will govern the new business entity.

21 (c) The terms and conditions of the conversion.

22 (d) The manner and basis of converting the shares or other ownership interests
23 of the business entity that are to be converted into the shares or other ownership
24 interests of the new business entity.

1 (e) The delayed effective date of the conversion under s. 183.0111 (2), if
2 applicable.

3 (f) If a business entity other than a domestic limited liability company is
4 converting to a domestic limited liability company, a copy of the articles of
5 organization of the new domestic limited liability company.

6 (g) Other provisions relating to the conversion.

7 (4) A conversion is effective when all of the following occur:

8 (a) Except with respect to taxation laws of each jurisdiction that are applicable
9 upon the conversion of the business entity, the business entity that is to be converted
10 is no longer subject to the applicable law of the jurisdiction that governed the
11 organization of the business entity and is subject to the applicable law of the
12 jurisdiction that governs the new business entity.

13 (b) The new business entity has assumed all liabilities of the business entity
14 that is to be converted.

15 (c) The new business entity is vested with title to all property owned by the
16 business entity that is to be converted without reversions or impairment.

17 (d) The articles of incorporation, articles of organization, bylaws, operating
18 agreement, certificate of limited partnership, or other similar governing document,
19 whichever is applicable, of the new business entity are amended as provided in the
20 plan of conversion.

21 (e) All other provisions of the plan of conversion apply.

22 (5) After a plan of conversion is submitted and approved, the business entity
23 that is to be converted shall deliver to the department for filing a certificate of
24 conversion that includes all of the following:

25 (a) The plan of conversion.

1 (b) A statement that the plan of conversion was approved in accordance with
2 the applicable law of the jurisdiction that governs the organization of the business
3 entity.

4 (c) The delayed effective date of the conversion under s. 183.0111 (2), if
5 applicable.

6 (d) If a business entity other than a domestic limited liability company is
7 converting to a domestic limited liability company, a copy of the articles of
8 organization of the new domestic limited liability company.

9 (e) If a domestic limited liability company is to be converted to another form of
10 business entity, a copy of the articles of incorporation, articles of organization,
11 bylaws, operating agreement, certificate of limited partnership, or other similar
12 governing document, whichever is applicable, of the new business entity.

13 (6) Any civil, criminal, administrative, or investigatory proceeding that is
14 pending against a business entity that is to be converted may be continued against
15 the business entity after the effective date of conversion or against the new business
16 entity.”.

17 *b1281/1.2* **1524.** Page 985, line 20: after that line insert:

18 *b1281/1.2* “SECTION 2972k. 194.01 (7) of the statutes is amended to read:

19 194.01 (7) “Motor vehicle” means any automobile, truck, trailer, semitrailer,
20 tractor, motor bus or any self-propelled or motor driven vehicle, except a low-speed
21 vehicle, motorcycle, moped, motor bicycle or a vehicle operated on rails.”.

22 *b1289/2.1* **1525.** Page 985, line 20: after that line insert:

23 *b1289/2.1* “SECTION 2972g. 192.25 (1) of the statutes is repealed.

24 *b1289/2.1* SECTION 2972h. 192.25 (2) of the statutes is amended to read:

1 192.25 (2) No person operating or controlling any railroad, as defined in s.
2 85.01 (5), may allow the operation of any railroad train or locomotive in this state
3 unless the railroad train or locomotive has a crew of at least 2 individuals. One of
4 the individuals shall be ~~a certified railroad locomotive engineer. The other~~
5 ~~individual shall be either a certified railroad locomotive engineer or a qualified~~
6 ~~railroad trainman. A certified railroad locomotive engineer shall present in the cab~~
7 and shall operate the lead control locomotive at all times that the railroad train or
8 locomotive is in motion. The other crew member shall be present in the cab of the
9 lead control locomotive at all times that the railroad train or locomotive is in motion,
10 except when the railroad train or locomotive is in motion for the purpose of switching.
11 When the railroad train or locomotive is not in motion, the other crew member may
12 dismount the railroad train or locomotive when necessary to perform switching
13 activities and other duties in the course of his or her job.

14 ***b1289/2.1* SECTION 2972i.** 192.25 (3) (am) of the statutes is created to read:
15 192.25 (3) (am) Subsection (2) does not apply to a railroad train or locomotive,
16 other than a railroad train or locomotive carrying freight only, that is being operated
17 as part of any commuter rail service operated by the state or any local governmental
18 unit, as defined in s. 85.055 (1).

19 ***b1289/2.1* SECTION 2972j.** 192.25 (3) (b) of the statutes is amended to read:
20 192.25 (3) (b) ~~Subsection (2)~~ This section does not apply to the extent that it
21 is contrary to or inconsistent with a regulation or order of the federal railroad
22 administration.”.

23 ***b1455/1.3* 1526.** Page 985, line 20: after that line insert:

24 ***b1455/1.3* “SECTION 2936n.** 185.981 (4t) of the statutes is amended to read:

1 185.981 (4t) A sickness care plan operated by a cooperative association is
2 subject to ss. 252.14, 631.17, 631.89, 631.95, 632.72 (2), 632.745 to 632.749, 632.85,
3 632.853, 632.855, 632.87 (2m), (3), (4), and (5), 632.872, 632.895 (10) to (14), and
4 632.897 (10) and chs. 149 and 155.

5 ***b1455/1.3* SECTION 2936m.** 185.983 (1) (intro.) of the statutes is amended to
6 read:

7 185.983 (1) (intro.) Every such voluntary nonprofit sickness care plan shall be
8 exempt from chs. 600 to 646, with the exception of ss. 601.04, 601.13, 601.31, 601.41,
9 601.42, 601.43, 601.44, 601.45, 611.67, 619.04, 628.34 (10), 631.17, 631.89, 631.93,
10 631.95, 632.72 (2), 632.745 to 632.749, 632.775, 632.79, 632.795, 632.85, 632.853,
11 632.855, 632.87 (2m), (3), (4), and (5), 632.872, 632.895 (5) and (9) to (14), 632.896,
12 and 632.897 (10) and chs. 609, 630, 635, 645, and 646, but the sponsoring association
13 shall:”.

14 ***b1495/1.32* 1527.** Page 985, line 20: after that line insert:

15 ***b1495/1.32* “SECTION 2972m.** 194.04 (6) of the statutes is amended to read:
16 194.04 (6) DISPOSITION OF FEES COLLECTED. All moneys received under this
17 section shall be paid into the state and local highways account in the transportation
18 fund.

19 ***b1495/1.32* SECTION 2972n.** 194.51 of the statutes is amended to read:

20 **194.51 Suit to recover protested tax.** No suit shall be maintained in any
21 court to restrain or delay the collection or payment of the taxes levied in this chapter.
22 The aggrieved taxpayer shall pay the tax as and when due, and, if paid under protest,
23 may at any time within 90 days from the date of such payment, sue the state in an
24 action at law to recover the tax so paid. If it is finally determined that said tax, or

1 any part thereof, was wrongfully collected for any reason, it shall be the duty of the
2 department of administration to issue a warrant on the state treasurer for the
3 amount of such tax so adjudged to have been wrongfully collected, and the treasurer
4 shall pay the same out of the state and local highways account in the transportation
5 fund. A separate suit need not be filed for each separate payment made by any
6 taxpayer, but a recovery may be had in one suit for as many payments as may have
7 been made within any 90-day period preceding the commencement of such an action.
8 Such suits shall be commenced as provided in s. 775.01.”

9 *b1524/1.14* **1528.** Page 985, line 20: after that line insert:

10 *b1524/1.14* “**SECTION 2943m.** 186.094 (2) of the statutes is amended to read:
11 186.094 (2) Legal counsel, certified public accountants licensed or certified
12 under ch. 442, or other persons as to matters the director or officer believes in good
13 faith are within the person’s professional or expert competence.

14 *b1524/1.14* **SECTION 2952m.** 186.15 (1) of the statutes is amended to read:
15 186.15 (1) ANNUAL AUDIT. Except as provided in sub. (2), the board of directors
16 shall hire a licensed certified public accountant licensed or certified under ch. 442 or
17 other qualified person to conduct a comprehensive annual audit of the records,
18 accounts and affairs of the credit union.

19 *b1524/1.14* **SECTION 2972d.** 187.31 (2) of the statutes is amended to read:
20 187.31 (2) Legal counsel, certified public accountants licensed or certified
21 under ch. 442, or other professional persons or experts employed by the incorporated
22 Roman Catholic church, as to matters the director or officer believes in good faith are
23 within the person’s professional or expert competence.

24 *b1524/1.14* **SECTION 2972g.** 187.41 (2) of the statutes is amended to read:

1 187.41 (2) Legal counsel, certified public accountants licensed or certified
2 under ch. 442, or other professional persons or experts employed by the religious
3 organization, as to matters the director or officer believes in good faith are within the
4 person’s professional or expert competence.”.

5 ***b1527/1.2* 1529.** Page 985, line 20: after that line insert:

6 ***b1527/1.2* SECTION 2937.** 186.01 (2) of the statutes is amended to read:

7 186.01 (2) “Credit union” means, except as specifically provided under ss.
8 186.41 (1) and 186.45 (1), a cooperative, nonprofit corporation, incorporated under
9 this chapter to encourage thrift among its members, create a source of credit at a fair
10 and reasonable cost, and provide an opportunity for its members to improve their
11 economic and social conditions.

12 ***b1527/1.2* SECTION 2938.** 186.02 (2) (a) 1. of the statutes is amended to read:

13 186.02 (2) (a) 1. ~~The conditions of residence or occupation which qualify persons~~
14 that determine eligibility for membership.

15 ***b1527/1.2* SECTION 2939.** 186.02 (2) (b) 2. of the statutes is amended to read:

16 186.02 (2) (b) 2. Residents Except as otherwise provided in this subdivision,
17 individuals who reside or are employed within a well-defined neighborhood,
18 community or rural district and contiguous neighborhoods and communities. If the
19 office of credit unions, subsequent to a credit union merger, determines that it would
20 be inappropriate under the circumstances to require members of the credit union
21 that results from the merger to reside or be employed in contiguous neighborhoods
22 and communities, the requirement that these neighborhoods and communities be
23 contiguous does not apply.

24 ***b1527/1.2* SECTION 2940.** 186.02 (2) (b) 2m. of the statutes is created to read:

1 186.02 (2) (b) 2m. Individuals who reside or are employed within well-defined
2 and contiguous rural districts or multicounty regions.

3 ***b1527/1.2* SECTION 2941.** 186.02 (2) (c) of the statutes is amended to read:

4 186.02 (2) (c) Members of the immediate family of all qualified persons are
5 eligible for membership. ~~In this paragraph, “members of the immediate family”~~
6 ~~include the wife, husband, parents, stepchildren and children of a member whether~~
7 ~~living together in the same household or not and any other relatives of the member~~
8 ~~or spouse of a member living together in the same household as the member.~~

9 ***b1527/1.2* SECTION 2942.** 186.02 (2) (d) of the statutes is renumbered 186.02
10 (2) (d) 1. and amended to read:

11 186.02 (2) (d) 1. ~~Organizations and associations~~ An organization or association
12 of individuals, the majority of whom the directors, owners, or members of which are
13 eligible for membership, may be admitted to membership in the same manner and
14 under the same conditions as individuals.

15 ***b1527/1.2* SECTION 2943.** 186.02 (2) (d) 2. of the statutes is created to read:

16 186.02 (2) (d) 2. An organization or association that has its principal business
17 location within any geographic limits of the credit union’s field of membership may
18 be admitted to membership.

19 ***b1527/1.2* SECTION 2994.** 186.11 (4) (title) of the statutes is amended to read:

20 186.11 (4) (title) ~~INVESTMENT IN CREDIT UNION SERVICE CORPORATIONS~~
21 ORGANIZATIONS.

22 ***b1527/1.2* SECTION 2945.** 186.11 (4) (a) of the statutes is renumbered 186.11
23 (4) (a) (intro.) and amended to read:

24 186.11 (4) (a) (intro.) ~~A~~ Unless the office of credit unions approves a higher
25 percentage, a credit union may invest not more than 1.5% of its total assets in the

1 capital shares or obligations of a credit union service ~~corporation~~ organizations that
2 satisfy all of the following:

3 2. Are organized primarily to provide goods and services to credit unions, credit
4 union organizations, and credit union members.

5 ***b1527/1.2* SECTION 2946.** 186.11 (4) (a) 1. of the statutes is created to read:

6 186.11 (4) (a) 1. Are corporations, limited partnerships, limited liability
7 companies, or other entities that are permitted under the laws of this state and that
8 are approved by the office of credit unions.

9 ***b1527/1.2* SECTION 2947.** 186.11 (4) (b) (intro.) and 1. of the statutes are
10 amended to read:

11 186.11 (4) (b) (intro.) A credit union service corporation organization under par.
12 (a) may provide goods and services including any of the following:

13 1. Credit union operations services, including service centers, credit and debit
14 card services, automated teller and remote terminal services, electronic transaction
15 services, accounting systems, data processing, management training and support,
16 payment item processing, record retention and storage, locator services, research,
17 debt collection, credit analysis and loan servicing, coin and currency services, and
18 marketing and advertising services.

19 ***b1527/1.2* SECTION 2948.** 186.11 (4) (c) of the statutes is amended to read:

20 186.11 (4) (c) A credit union service corporation organization may be subject
21 to audit by the office of credit unions.

22 ***b1527/1.2* SECTION 2949.** 186.113 (1) of the statutes is amended to read:

23 186.113 (1) BRANCH OFFICES. ~~If the need and necessity exist and with~~ With the
24 approval of the office of credit unions, establish branch offices inside ~~this state or no~~
25 ~~more than 25 miles or~~ outside of this state. Permanent records may be maintained

1 at branch offices established under this subsection. In this subsection, the term
2 “branch office” does not include a remote terminal, a limited services office, or a
3 service center.

4 *b1527/1.2* SECTION 2950. 186.113 (1m) (a) (intro.) of the statutes is amended
5 to read:

6 186.113 (1m) (a) (intro.) ~~Establish~~ Before the effective date of this paragraph
7 ... [revisor inserts date], establish limited services offices outside this state to serve
8 any member of the credit union if all of the following requirements are met:

9 *b1527/1.2* SECTION 2951. 186.113 (6) (b) and (c) of the statutes are amended
10 to read:

11 186.113 (6) (b) Act as trustees or custodians of member tax deferred retirement
12 funds, individual retirement accounts, medical savings accounts, or other employee
13 benefit accounts or funds permitted by federal law to be deposited in a credit union.

14 (c) Act as a depository for ~~member-deferred~~ member qualified and
15 nonqualified deferred compensation funds as permitted by federal law.

16 *b1527/1.2* SECTION 2952. 186.113 (24) of the statutes is created to read:

17 186.113 (24) FUNERAL TRUSTS. Accept deposits made by members for the
18 purpose of funding burial agreements by trusts created pursuant to s. 445.125.

19 *b1527/1.2* SECTION 2953. 186.20 of the statutes is created to read:

20 **186.20 Financial privacy.** A credit union shall comply with any applicable
21 requirements under 15 USC 6801 to 6803 and any applicable regulations prescribed
22 by the national credit union administration under 15 USC 6804.

23 *b1527/1.2* SECTION 2954. 186.235 (7) (a) (intro.) of the statutes is amended
24 to read:

1 186.235 (7) (a) (intro.) Employees of the office of credit unions and members
2 of the review board shall keep secret all the facts and information obtained in the
3 course of examinations, ~~except or contained in any report provided by a credit union~~
4 other than any semiannual or quarterly financial report that is regularly filed with
5 the office of credit unions. This requirement does not apply in any of the following
6 situations:

7 ***b1527/1.2* SECTION 2955.** 186.235 (7) (c) of the statutes is created to read:

8 186.235 (7) (c) If any person mentioned in par. (a) discloses any information
9 about the private account or transactions of a credit union or any information
10 obtained in the course of an examination of a credit union, except as provided in pars.
11 (a) and (b), that person may be required to forfeit his or her office or position and may
12 be fined not less than \$100 nor more than \$1,000, or imprisoned for not less than 6
13 months nor more than 3 years, or both.

14 ***b1527/1.2* SECTION 2956.** 186.235 (7m) of the statutes is created to read:

15 186.235 (7m) RETURN OF EXAMINATION REPORTS. Examination reports possessed
16 by a credit union are confidential, remain the property of the office of credit unions,
17 and shall be returned to the office of credit unions immediately upon request.

18 ***b1527/1.2* SECTION 2957.** 186.235 (16) (a) of the statutes is renumbered
19 186.235 (16).

20 ***b1527/1.2* SECTION 2958.** 186.235 (16) (b) of the statutes is repealed.

21 ***b1527/1.2* SECTION 2959.** 186.235 (16m) of the statutes is created to read:

22 186.235 (16m) FINANCIAL PRIVACY EXAMINATION. The office of credit unions shall
23 examine a credit union to determine the credit union's compliance with s. 186.20.

24 ***b1527/1.2* SECTION 2960.** 186.36 of the statutes is amended to read:

1 **186.36 Sale of insurance in credit unions.** Any officer or employee of a
2 credit union, when acting as an agent for the sale of insurance on behalf of the credit
3 union, shall pay all commissions received from the sale of ~~credit life insurance or~~
4 ~~credit accident and sickness insurance~~ to the credit union.

5 ***b1527/1.2* SECTION 2961.** 186.41 (title) of the statutes is amended to read:

6 **186.41 (title) Interstate acquisition acquisitions and merger mergers**
7 **of credit unions.**

8 ***b1527/1.2* SECTION 2962.** 186.41 (1) (a) of the statutes is renumbered 186.41
9 (1) (bm) and amended to read:

10 186.41 (1) (bm) “~~In-state~~ Wisconsin credit union” means a credit union having
11 its principal office located in this state.

12 ***b1527/1.2* SECTION 2963.** 186.41 (1) (c) of the statutes is renumbered 186.41
13 (1) (am) and amended to read:

14 186.41 (1) (am) “~~Regional Out-of-state~~ credit union” means a state or federal
15 credit union ~~that has its,~~ the principal office of which is located in ~~one of the regional~~
16 states a state other than this state.

17 ***b1527/1.2* SECTION 2964.** 186.41 (1) (d) of the statutes is repealed.

18 ***b1527/1.2* SECTION 2965.** 186.41 (2) and (3) of the statutes are amended to
19 read:

20 186.41 (2) ~~IN-STATE WISCONSIN~~ CREDIT UNION. (a) ~~An in-state~~ A Wisconsin credit
21 union may do any of the following:

22 1. Acquire an interest in, or some or all of the assets and liabilities of, one or
23 more ~~regional out-of-state~~ credit unions.

24 2. Merge with one or more ~~regional out-of-state~~ credit unions.

1 (b) ~~An in-state~~ A Wisconsin credit union proposing any action under par. (a)
2 shall provide the office of credit unions a copy of any original application seeking
3 approval by a federal agency or by an agency of ~~the regional~~ another state and of any
4 supplemental material or amendments filed in connection with any application.

5 (3) ~~REGIONAL OUT-OF-STATE~~ CREDIT UNIONS. Except as provided in sub. (4), a
6 regional an out-of-state credit union may do any of the following:

7 (a) Acquire an interest in, or some or all of the assets of, one or more ~~in-state~~
8 Wisconsin credit unions.

9 (b) Merge with one or more ~~in-state~~ Wisconsin credit unions.

10 *b1527/1.2* SECTION 2966. 186.41 (4) (intro.), (a) to (d) and (f) of the statutes
11 are amended to read:

12 186.41 (4) LIMITATIONS. (intro.) ~~A regional~~ An out-of-state credit union may
13 not take any action under sub. (3) until all of the following conditions have been met:

14 (a) The office of credit unions finds that the statutes of the ~~regional~~ state in
15 which the ~~regional~~ out-of-state credit union has its principal office permit ~~in-state~~
16 Wisconsin credit unions to both acquire ~~regional~~ out-of-state credit union assets and
17 merge with one or more ~~regional~~ out-of-state credit unions in ~~the regional~~ that state.

18 (b) The office of credit unions has not disapproved the acquisition of ~~in-state~~
19 Wisconsin credit union assets or the merger with the ~~in-state~~ Wisconsin credit union
20 under sub. (5).

21 (c) The office of credit unions gives a class 3 notice, under ch. 985, in the official
22 state newspaper, of the application to take an action under sub. (3) and of the
23 opportunity for a hearing and, if at least 25 residents of this state petition for a
24 hearing within 30 days of the final notice or if the office of credit unions on its own
25 motion calls for a hearing within 30 days of the final notice, the office of credit unions

1 holds a public hearing on the application, except that a hearing is not required if the
2 office of credit unions finds that an emergency exists and that the proposed action
3 under sub. (3) is necessary and appropriate to prevent the probable failure of an
4 in-state Wisconsin credit union that is closed or in danger of closing.

5 (d) The office of credit unions is provided a copy of any original application
6 seeking approval by a federal agency of the acquisition of in-state Wisconsin credit
7 union assets or of the merger with an in-state Wisconsin credit union and of any
8 supplemental material or amendments filed with the application.

9 (f) With regard to an acquisition of assets of an in-state Wisconsin credit
10 union that is chartered on or after May 9, 1986, the in-state Wisconsin credit union
11 has been in existence for at least 5 years before the date of acquisition.

12 *b1527/1.2* SECTION 2967. 186.41 (5) (a), (b), (c) and (cr) of the statutes are
13 amended to read:

14 186.41 (5) (a) Considering the financial and managerial resources and future
15 prospects of the applicant and of the in-state Wisconsin credit union concerned, the
16 action would be contrary to the best interests of the members of the in-state
17 Wisconsin credit union.

18 (b) The action would be detrimental to the safety and soundness of the
19 applicant or of the in-state Wisconsin credit union concerned, or to a subsidiary or
20 affiliate of the applicant or of the in-state Wisconsin credit union.

21 (c) Because the applicant, its executive officers, or directors have not
22 established a record of sound performance, efficient management, financial
23 responsibility, and integrity, the action would be contrary to the best interests of the
24 creditors, the members or, the other customers of the applicant or of the in-state, the
25 Wisconsin credit union, or ~~contrary to the best interests of the public.~~

1 (cr) The applicant has failed to propose to provide adequate and appropriate
2 services of the type contemplated by the community reinvestment act of 1977 in the
3 community in which the ~~in-state~~ Wisconsin credit union which the applicant
4 proposes to acquire or merge with is located.

5 *b1527/1.2* SECTION 2968. 186.41 (6) (a) of the statutes is renumbered 186.41
6 (6).

7 *b1527/1.2* SECTION 2969. 186.41 (6) (b) of the statutes is repealed.

8 *b1527/1.2* SECTION 2970. 186.41 (8) of the statutes is repealed.

9 *b1527/1.2* SECTION 2971. 186.45 of the statutes is created to read:

10 **186.45 Non-Wisconsin credit union, Wisconsin offices.** (1) DEFINITIONS.

11 In this section:

12 (a) “Non-Wisconsin credit union” means a credit union organized under the
13 laws of and with its principal office located in a state other than this state.

14 (b) “Wisconsin credit union” has the meaning given in s. 186.41 (1) (bm).

15 (2) APPROVAL. A non-Wisconsin credit union may open an office and conduct
16 business as a credit union in this state if the office of credit unions finds that
17 Wisconsin credit unions are allowed to do business in the other state under
18 conditions similar to those contained in this section and that all of the following apply
19 to the non-Wisconsin credit union:

20 (a) It is a credit union organized under laws similar to the credit union laws of
21 this state.

22 (b) It is financially solvent based upon national board ratings.

23 (c) It has member savings insured with federal share insurance.

24 (d) It is effectively examined and supervised by the credit union authorities of
25 the state in which it is organized.

1 (e) It has received approval from the credit union authorities of the state in
2 which it is organized.

3 (f) It has a need to place an office in this state to adequately serve its members
4 in this state.

5 (g) It meets all other relevant standards or qualifications established by the
6 office of credit unions.

7 (3) REQUIREMENTS. A non-Wisconsin credit union shall agree to do all of the
8 following:

9 (a) Grant loans at rates not in excess of the rates permitted for Wisconsin credit
10 unions.

11 (b) Comply with this state's laws.

12 (c) Designate and maintain an agent for the service of process in this state.

13 (4) RECORDS. As a condition of a non-Wisconsin credit union doing business in
14 this state under this section, the office of credit unions may require copies of
15 examination reports and related correspondence regarding the non-Wisconsin
16 credit union.

17 *b1527/1.2* SECTION 2972. 186.80 of the statutes is created to read:

18 **186.80 False statements.** (a) No officer, director, or employee of a credit
19 union may do any of the following:

20 1. Willfully and knowingly subscribe to or make, or cause to be made, a false
21 statement or entry in the books of the credit union.

22 2. Knowingly subscribe to or exhibit false information with the intent to deceive
23 any person authorized to examine the affairs of the credit union.

24 3. Knowingly make, state, or publish any false report or statement of the credit
25 union.

1 (b) Any person who violates par. (a) may be fined not less than \$1,000 nor more
2 than \$5,000, or imprisoned for not less than one year nor more than 15 years, or
3 both.”

4 ***b1667/2.1* 1530.** Page 987, line 25: after that line insert:

5 “(bm) “Public utility” means a public utility that in 2000, based on data
6 provided by the public utility to the commission, provided retail electric service to
7 customers that had an aggregate load of 1,200 megawatts or more.”

8 ***b1814/1.1* 1531.** Page 989, line 6: after that line insert:

9 ***b1814/1.1* “SECTION 2981m.** 196.218 (3) (e) of the statutes is amended to
10 read:

11 196.218 (3) (e) ~~Except as provided in s. 196.196(2)(d), a~~ A telecommunications
12 provider or other person may not establish a surcharge on customers’ bills to collect
13 from customers contributions required under this subsection.”

14 ***b1819/1.1* 1532.** Page 989, line 6: after that line insert:

15 ***b1819/1.1* “SECTION 2981Lm.** 196.202 (2) of the statutes is amended to read:

16 196.202 (2) SCOPE OF REGULATION. A commercial mobile radio service provider
17 is not subject to ch. 201 or this chapter, except as provided in sub. (5), and except that
18 a commercial mobile radio service provider is subject to s. 196.218 (3) ~~to the extent~~
19 ~~not preempted by federal law. If the application of s. 196.218 (3) to a commercial~~
20 ~~mobile radio service provider is not preempted~~ if the commission promulgates rules
21 that designate commercial mobile radio service providers as eligible to receive
22 universal service funding under both the federal and state universal service fund
23 programs. If the commission promulgates such rules, a commercial mobile radio
24 service provider shall respond, subject to the protection of the commercial mobile

1 radio service provider's competitive information, to all reasonable requests for
2 information about its operations in this state from the commission necessary to
3 administer the universal service fund.”

4 *b1821/2.1* **1533.** Page 989, line 6: after that line insert:

5 *b1821/2.1* “SECTION 2981r. 196.218 (3) (a) 3. of the statutes is renumbered
6 196.218 (3) (a) 3. (intro.) and amended to read:

7 196.218 (3) (a) 3. (intro.) The commission shall designate the method by which
8 the contributions under this paragraph shall be calculated and collected. The
9 method shall ensure that the contributions are sufficient to generate the following
10 amounts:

11 a. The amount appropriated under ss. s. 20.155 (1) (q), except that beginning
12 in fiscal year 2003–04 the total amount of contributions in a fiscal year under this
13 subd. 3. a. may not exceed \$4,000,000.

14 b. The amounts appropriated under ss. 20.255 (3) (q), 20.275 (1) (s), (t) and (tm)
15 and 20.285 (1) (q).

16 3m. Contributions under this paragraph may be based only on the gross
17 operating revenues from the provision of broadcast services identified by the
18 commission under subd. 2. and on intrastate telecommunications services in this
19 state of the telecommunications providers subject to the contribution.”.

20 *b1817/1.1* **1534.** Page 990, line 6: after that line insert:

21 *b1817/1.1* “SECTION 2984q. 196.219 (3m) of the statutes is created to read:
22 196.219 (3m) REAL ESTATE DEVELOPMENT. (a) In this subsection, “real estate
23 development” means the act of dividing or subdividing any parcel of land for
24 construction or making improvements to facilitate or allow construction.

1 (b) Except for compensation included in rates for basic local exchange service
2 and business access line and usage service, a telecommunications utility may not
3 require any person to compensate the telecommunications utility for the
4 construction of any facility for the distribution of telecommunications services that
5 is related to any real estate development in the telecommunications utility's service
6 territory.”.

7 *b1504/1.5* **1535.** Page 992, line 12: after that line insert:

8 *b1504/1.5* “SECTION 2996. 196.374 (1) (b) of the statutes is repealed.

9 *b1504/1.5* SECTION 2997. 196.374 (3) of the statutes is amended to read:

10 196.374 (3) ~~In~~ Except as provided in sub. (3m), in 2000, 2001 and 2002, the
11 commission shall require each utility to spend a decreasing portion of the amount
12 determined under sub. (2) on programs specified in sub. (2) and contribute the
13 remaining portion of the amount to the commission for deposit in the utility public
14 benefits fund. ~~In~~ Except as provided in sub. (3m), in each year after 2002, each utility
15 shall contribute the entire amount determined under sub. (2) to the commission for
16 deposit in the utility public benefits fund. The commission shall ensure in
17 rate-making orders that a utility recovers from its ratepayers the amounts spent on
18 programs or contributed to the utility public benefits fund under this subsection or
19 deposited into the farm rewiring fund under sub. (3m). The commission shall allow
20 each utility the option of continuing to use, until January 1, 2002, the moneys that
21 it has recovered under s. 196.374 (3), 1997 stats., to administer the programs that
22 it has funded under s. 196.374 (1), 1997 stats. The commission may allow each utility
23 to spend additional moneys on the programs specified in sub. (2) if the utility
24 otherwise complies with the requirements of this section and s. 16.957 (4).

1 ***b1504/1.5* SECTION 2998.** 196.374 (3m) of the statutes is created to read:

2 196.374 (3m) In fiscal year 2001–02, the first \$1,500,000 that is contributed
3 under sub. (3) in that fiscal year shall be deposited in the farm rewiring fund. In
4 fiscal year 2002–03, the first \$2,500,000 that is contributed under sub. (3) in that
5 fiscal year shall be deposited in the farm rewiring fund.

6 ***b1504/1.5* SECTION 2999.** 196.374 (4) of the statutes is amended to read:

7 196.374 (4) If the department notifies the commission under s. 16.957 (2) (b)
8 2. that the department has reduced funding for energy conservation and efficiency
9 and renewable resource programs by an amount that is greater than the portion of
10 the public benefits fee specified in s. 16.957 (4) (c) 2., the commission shall reduce the
11 amount that utilities are required to spend on programs or contribute to the utility
12 public benefits fund under sub. (3) by the portion of the reduction that exceeds the
13 amount of public benefits fees specified in s. 16.957 (4) (c) 2.”.

14 ***b1519/2.236* 1536.** Page 992, line 12: after that line insert:

15 ***b1519/2.236* “SECTION 3001j.** 196.491 (1) (c) of the statutes is amended to
16 read:

17 196.491 (1) (c) “Department” means the department of ~~natural resources~~
18 environmental management.

19 ***b1519/2.236* SECTION 13001k.** 196.491 (2) (b) 5. of the statutes is amended
20 to read:

21 196.491 (2) (b) 5. Department of ~~natural resources~~ environmental
22 management.”.

23 ***b1557/1.1* 1537.** Page 992, line 12: after that line insert:

1 ***b1557/1.1*** **SECTION 2994g.** 196.31 (1) (intro.) of the statutes is amended to
2 read:

3 196.31 (1) (intro.) In any proceeding before the commission, the commission
4 shall may compensate any participant in the proceeding who is not a public utility,
5 for some or all of the reasonable costs of participation in the proceeding if the
6 commission finds that:

7 ***b1557/1.1*** **SECTION 2994i.** 196.31 (1) (a) of the statutes is amended to read:

8 196.31 (1) (a) The participation is necessary to provide for the record an
9 adequate presentation of a significant position in which the participant has a
10 substantial interest, and that an adequate presentation would not ~~occur~~ be possible
11 without a grant of compensation; or”.

12 ***b1662/1.2*** **1538.** Page 992, line 12: after that line insert:

13 ***b1662/1.2*** **SECTION 3001d.** 196.491 (3) (a) 3. a. of the statutes is amended
14 to read:

15 196.491 (3) (a) 3. a. At least 60 days before a person files an application under
16 subd. 1. for construction of a large electric generating facility, the person shall
17 provide the department with an engineering plan showing the location of the large
18 electric generating facility, a description of the large electric generating facility,
19 including the major components of the large electric generating facility that have a
20 significant air, water or solid waste pollution potential, and a description of the
21 anticipated effects of the large electric generating facility on air and water quality.
22 Within 30 days after a person provides an engineering plan, the department shall
23 provide the person with a listing of each department permit or approval which, on

1 the basis of the information contained in the engineering plan, appears to be required
2 for the construction or operation of the large electric generating facility.”

3 *b1668/2.1* **1539.** Page 992, line 12: after that line insert:

4 *b1668/2.1* “**SECTION 3001d.** 196.491 (3) (a) 3. a. of the statutes is amended
5 to read:

6 196.491 (3) (a) 3. a. At least 60 days before a person files an application under
7 subd. 1., the person shall provide the department with an engineering plan showing
8 the location of the facility, a description of the facility, including the major
9 components of the facility that have a significant air, water, or solid waste pollution
10 potential, and a description of the anticipated effects of the facility on air and water
11 quality and on residential wells. Within 30 days after a person provides an
12 engineering plan, the department shall provide the person with a listing of each
13 department permit or approval which, on the basis of the information contained in
14 the engineering plan, appears to be required for the construction or operation of the
15 facility.

16 *b1668/2.1* **SECTION 3001db.** 196.491 (3) (a) 3. b. of the statutes is amended
17 to read:

18 196.491 (3) (a) 3. b. Within 20 days after the department provides a listing
19 specified in subd. 3. a. to a person, the person shall apply for the permits and
20 approvals identified in the listing. The department shall determine whether an
21 application under this subd. 3. b. is complete and, no later than 30 days after the
22 application is filed, notify the applicant about the determination. If the department
23 determines that the application is incomplete, the notice shall state the reason for
24 the determination. An applicant may supplement and refile an application that the

1 department has determined to be incomplete. There is no limit on the number of
2 times that an applicant may refile an application under this subd. 3. b. If the
3 department fails to determine whether an application is complete within 30 days
4 after the application is filed, the application shall be considered to be complete. ~~The~~
5 ~~department shall complete action on an application under this subd. 3. b. for any~~
6 ~~permit or approval that is required prior to construction of a facility within~~ Within
7 120 days after the date on which the application is determined or considered to be
8 complete, the department shall complete action on the application for any permit or
9 approval that is required prior to construction of the large electric generating facility
10 and shall determine whether the facility will reduce the availability of water to a
11 residential well or cause a preventive action limit established under s. 160.15 to be
12 exceeded in water produced by a residential well.

13 ***b1668/2.1* SECTION 3001p.** 196.491 (3) (e) of the statutes is renumbered
14 196.491 (3) (e) (intro.) and amended to read:

15 196.491 (3) (e) (intro.) If the application does not meet the criteria under par.
16 (d), the commission shall reject the application or approve the application with such
17 modifications as are necessary for an affirmative finding under par. (d). The
18 commission may not issue a certificate of public convenience and necessity ~~until the~~
19 for a large electric generating facility unless each of the following is satisfied:

20 1. The department has issued all permits and approvals identified in the listing
21 specified in par. (a) 3. a. that are required prior to construction.

22 ***b1668/2.1* SECTION 3001pt.** 196.491 (3) (e) 2. of the statutes is created to
23 read:

24 196.491 (3) (e) 2. The department has determined under par. (a) 3. b. that the
25 facility will not reduce the availability of water to a residential well and will not cause

1 a preventive action limit established under s. 160.15 to be exceeded in water
2 produced by a residential well.”.

3 *b1763/3.7* **1540.** Page 992, line 12: after that line insert:

4 *b1763/3.7* “SECTION 2997m. 196.374 (3) of the statutes is amended to read:

5 196.374 (3) ~~In 2000, 2001 and 2002, the commission shall require each utility~~
6 ~~to spend a decreasing portion of the amount determined under sub. (2) on programs~~
7 ~~specified in sub. (2) and contribute the remaining portion of the amount to the~~
8 ~~commission for deposit in the fund. In each year after 2002, each Each utility shall~~
9 ~~contribute the entire amount determined under sub. (2) to the commission for deposit~~
10 ~~in the fund. The commission shall ensure in rate-making orders that a utility~~
11 ~~recovers from its ratepayers the amounts spent on programs or contributed to the~~
12 ~~fund under this subsection. The commission shall allow each utility the option of~~
13 ~~continuing to use, until January 1, 2002, the moneys that it has recovered under s.~~
14 ~~196.374 (3), 1997 stats., to administer the programs that it has funded under s.~~
15 ~~196.374 (1), 1997 stats. The commission may allow each utility to spend additional~~
16 ~~moneys on the programs specified in sub. (2) if the utility otherwise complies with~~
17 ~~the requirements of this section and s. 16.957 (4).~~

18 *b1763/3.7* SECTION 2999m. 196.374 (4) of the statutes is amended to read:

19 196.374 (4) If the department notifies the commission under s. 16.957 (2) (b)
20 2. that the department has reduced funding for energy conservation and efficiency
21 and renewable resource programs by an amount that is greater than the portion of
22 the public benefits fee specified in s. 16.957 (4) (e) 2., the commission shall reduce
23 make a corresponding reduction in the amount that utilities are required to spend

1 on programs or contribute to the fund under sub. (3) ~~by the portion of the reduction~~
2 ~~that exceeds the amount of public benefits fees specified in s. 16.957 (4) (c) 2.~~”.

3 *b1281/1.3* **1541.** Page 1003, line 6: after that line insert:

4 *b1281/1.3* “**SECTION 3020e.** 218.0101 (19m) of the statutes is created to read:
5 218.0101 (**19m**) “Low-speed vehicle” has the meaning given in s. 340.01 (27m).

6 *b1281/1.3* **SECTION 3020j.** 218.0101 (23) (a) 2. of the statutes is amended to
7 read:

8 218.0101 (**23**) (a) 2. Is engaged wholly or in part in the business of selling or
9 leasing motor vehicles, including motorcycles and low-speed vehicles, whether or
10 not the motor vehicles are owned by that person, firm or corporation.

11 *b1281/1.3* **SECTION 3020n.** 218.0114 (5) (a) of the statutes is amended to
12 read:

13 218.0114 (**5**) (a) A motor vehicle dealer or an applicant for a motor vehicle
14 dealer license shall provide and maintain in force a bond or irrevocable letter of credit
15 of not less than \$25,000 or, if the dealer or applicant sells or proposes to sell
16 motorcycles or low-speed vehicles, or both, and not other types of motor vehicles, a
17 bond or irrevocable letter of credit of not less than \$5,000. The bond or letter of credit
18 shall be executed in the name of the department of transportation for the benefit of
19 any person who sustains a loss because of an act of a motor vehicle dealer that
20 constitutes grounds for the suspension or revocation of a license under ss. 218.0101
21 to 218.0163.

22 *b1281/1.3* **SECTION 3020q.** 218.0122 (3) of the statutes is amended to read:

1 218.0122 (3) This section does not apply to motorcycles or low-speed vehicles
2 that are delivered in a crated, disassembled condition to the dealer or the dealer's
3 agent.

4 ***b1281/1.3* SECTION 3020t.** 218.0171 (2) (b) 2. b. of the statutes is amended
5 to read:

6 218.0171 (2) (b) 2. b. Accept return of the motor vehicle and refund to the
7 consumer and to any holder of a perfected security interest in the consumer's motor
8 vehicle, as their interest may appear, the full purchase price plus any sales tax,
9 finance charge, amount paid by the consumer at the point of sale and collateral costs,
10 less a reasonable allowance for use. Under this subdivision, a reasonable allowance
11 for use may not exceed the amount obtained by multiplying the full purchase price
12 of the motor vehicle by a fraction, the denominator of which is 100,000 or, for a
13 motorcycle or low-speed vehicle, 20,000, and the numerator of which is the number
14 of miles the motor vehicle was driven before the consumer first reported the
15 nonconformity to the motor vehicle dealer.”.

16 ***b1461/3.18* 1542.** Page 1003, line 6: after that line insert:

17 ***b1461/3.18* “SECTION 3023.** 221.0320 (2) (a) (intro.) of the statutes is
18 amended to read:

19 221.0320 (2) (a) (intro.) A liability secured by warehouse receipts issued by
20 warehouse keepers licensed and bonded in this state under ss. 99.02 and 99.03 or
21 under the federal bonded warehouse act or holding a ~~registration certificate~~ license
22 under ~~ch. 127 s. 126.26~~, if all of the following requirements are met.”.

23 ***b1495/1.33* 1543.** Page 1003, line 6: after that line insert:

24 ***b1495/1.33* “SECTION 3020m.** 218.22 (2m) of the statutes is amended to read:

1 218.22 (2m) License fees collected under this subchapter shall be deposited in
2 the state and local highways account in the transportation fund.”.

3 ***b1519/2.237* 1544.** Page 1003, line 6: after that line insert:

4 ***b1519/2.237* SECTION 3019d.** 196.86 (1) (a) of the statutes is amended to
5 read:

6 196.86 (1) (a) “Department” means the department of ~~natural resources~~
7 environmental management.

8 ***b1519/2.237* SECTION 3019f.** 196.86 (1) (d) of the statutes is amended to read:

9 196.86 (1) (d) “Initial compliance date” means the date specified in a notice by
10 the department of ~~natural resources~~ environmental management under s. 285.48 (2)
11 by which electric generating facilities in the midcontinent area of this state are
12 required to comply with initial nitrogen oxide emission reduction requirements.

13 ***b1519/2.237* SECTION 3019h.** 196.86 (2) of the statutes is amended to read:

14 196.86 (2) If the department of ~~natural resources~~ environmental management
15 makes a notification to the commission under s. 285.48 (2), the commission shall
16 assess against electric public utility affiliates a total of \$2,400,000, or a decreased
17 amount specified in a notice by the department of ~~natural resources~~ environmental
18 management under s. 285.48 (3) (d) 3., in each fiscal year of the 10–year period that
19 commences on July 1 of the fiscal year ending before the initial compliance date. An
20 assessment in a fiscal year against an electric public utility affiliate under this
21 subsection shall be in an amount that is proportionate to the electric public utility
22 affiliate’s heat throughput ratio for the prior fiscal year.

23 ***b1519/2.237* SECTION 3019k.** 196.98 of the statutes is amended to read:

1 **196.98 Water reporting required.** The commission shall ensure that each
2 public utility to which s. 281.35 applies shall comply with the requirements of that
3 section and shall report its volume and rate of withdrawal, as defined under s. 281.35
4 (1) (m), and its volume and rate of water loss, as defined under s. 281.35 (1) (L), if any,
5 to the commission in the form and at the times specified by the department of ~~natural~~
6 ~~resources~~ environmental management. The commission shall provide the
7 information reported under this section to the department of ~~natural resources~~
8 environmental management.

9 ***b1519/2.237* SECTION 3020c.** 198.22 (7) of the statutes is amended to read:
10 198.22 (7) BOUNDARIES. Immediately upon the organization of the board of
11 directors the clerk shall cause to be recorded in the office of the register of deeds of
12 each county in which any part of said district is located, and shall file with the
13 secretary of state, the department of ~~natural resources~~ environmental management,
14 the governor and the clerk of each town, city or village, wholly or partly within the
15 district, a certified copy of the boundaries of the district as set forth in the notice of
16 election pursuant to sub. (3) or as thereafter amended. Thereafter, in any proceeding
17 wherein the boundaries of the district are concerned, it shall be sufficient in
18 describing said boundaries to refer to such record of such description.

19 ***b1519/2.237* SECTION 3020d.** 198.22 (13) of the statutes is amended to read:
20 198.22 (13) DISTRIBUTION SYSTEM STANDARDS IN MILWAUKEE COUNTY. When any
21 such district is established in any county having a population of 500,000 or more and
22 containing a city of the 1st class, no municipality in such district shall construct any
23 part of its distribution system except according to the standard of sizes and grades
24 of materials as used by such city of the 1st class, or the standards of the American

1 waterworks association and the department of ~~natural resources~~ environmental
2 management.

3 *b1519/2.237* SECTION 3020e. 200.01 (2) of the statutes is amended to read:

4 200.01 (2) "Department" means the department of ~~natural resources~~
5 environmental management.

6 *b1519/2.237* SECTION 3020f. 200.11 (1) (e) of the statutes is amended to read:

7 200.11 (1) (e) *Annual report*. The commission shall prepare annually a full and
8 detailed report of its official transactions and expenses and of all presently planned
9 additions and major changes in district facilities and services and shall file a copy
10 of such report with the department of ~~natural resources~~ environmental
11 management, the department of health and family services and the governing bodies
12 of all cities, villages and towns having territory in such district.

13 *b1519/2.237* SECTION 3020g. 200.27 (9) of the statutes is amended to read:

14 200.27 (9) ANNUAL REPORT. The commission shall prepare annually a full report
15 of its official transactions and expenditures and shall mail the report to the governor,
16 to the secretary of ~~natural resources~~ environmental management and to the
17 governing body of each municipality.

18 *b1519/2.237* SECTION 3020h. 200.29 (1) (c) 4. b. of the statutes is amended
19 to read:

20 200.29 (1) (c) 4. b. Any area not included within the redefined boundary under
21 subd. 1. or 2. ceases to be a part of the district for all purposes upon the filing of a
22 certified copy of the resolution describing the area not within the district with the
23 clerk of each county in which the district is located. The commission shall also record
24 the resolution with the register of deeds for each county in which the district is
25 located, and file a certified copy of the resolution with the clerk of each city, village

1 and town in the district and with the department of ~~natural resources~~ environmental
2 management.

3 *b1519/2.237* SECTION 3020i. 200.29 (1) (d) 3. of the statutes is amended to
4 read:

5 200.29 (1) (d) 3. Any area added to the district under this paragraph becomes
6 a part of the district for all purposes upon the filing of a certified copy of the resolution
7 describing the area being added with the clerk of each county in which the district
8 is located. The commission shall also record the resolution with the register of deeds
9 for each county in which the district is located, and file certified copies with the clerk
10 of each city, village and town in the district and with the department of ~~natural~~
11 ~~resources~~ environmental management.

12 *b1519/2.237* SECTION 3020j. 200.35 (4) of the statutes is amended to read:

13 200.35 (4) DELIVERY OF DEEDS; ~~DNR~~ STATE PERMITS. Upon application of the
14 commission the proper officers of this state shall execute, acknowledge and deliver
15 to the proper officers of the district any deed or other instrument as may be proper
16 for the purpose of fully confirming the grants under subs. (2) and (3).
17 Notwithstanding s. 30.05, the district may not commence an action under sub. (2) or
18 (3) without obtaining all of the necessary permits from the department of ~~natural~~
19 ~~resources~~ environmental management under ch. 30.

20 *b1519/2.237* SECTION 3020k. 200.35 (8) (a) of the statutes is amended to
21 read:

22 200.35 (8) (a) Subject to s. 30.20 and to any applicable rule of the department
23 of ~~natural resources~~ environmental management, the commission may improve any
24 river or stream within the district by deepening, widening or otherwise changing it
25 as the commission finds necessary ~~in order~~ to carry off surface or drainage water.

1 ***b1519/2.237* SECTION 3020L.** 200.35 (9) (b) of the statutes is amended to
2 read:

3 200.35 (9) (b) The commission shall apply to the department of ~~natural~~
4 ~~resources~~ environmental management for a permit for the diversion. Upon receipt
5 of an application for a permit, the department shall fix a time, not more than 8 weeks
6 after receiving the application, and a convenient place for a public hearing on the
7 application. The department shall notify the commission of the time and place and
8 the commission shall publish a notice of the time and place of the hearing once each
9 week for 3 successive weeks before the hearing in at least one newspaper designated
10 by the department of ~~natural resources~~ environmental management and published
11 in the district.

12 ***b1519/2.237* SECTION 3020n.** 200.35 (9) (c) of the statutes is amended to
13 read:

14 200.35 (9) (c) In addition to the publication required under par. (b) the
15 commission, not less than 20 days prior to the hearing, shall mail a notice of the
16 hearing to every person who has recorded an interest in any lands that are likely to
17 be affected by the proposed diversion and whose post-office address can be
18 ascertained by due diligence. The notice shall specify the time and place of the
19 hearing, shall be accompanied by a general statement of the nature of the application
20 and shall be forwarded to these persons by registered mail in a sealed and postpaid
21 envelope properly addressed. The commission shall file proof of the publication and
22 mailing of notice with the department of ~~natural resources~~ environmental
23 management. At the hearing or any adjournment thereof, the department of ~~natural~~
24 ~~resources~~ environmental management shall consider the application and shall take
25 evidence offered by the commission and other persons in support of or in opposition

1 to the application. The department may require that the application be amended.
2 If the department finds after the hearing that the application is in the public interest,
3 will not violate public rights and will not pose an unreasonable risk to life, health or
4 property, the department shall issue a permit to the commission.

5 *b1519/2.237* SECTION 3020p. 200.35 (12) of the statutes is amended to read:

6 200.35 (12) DISPOSAL OF TREATED SEWAGE. Subject to any applicable rule of the
7 department of ~~natural resources~~ environmental management, the commission may
8 dispose of treated sewage by commercial or charitable means and may expend an
9 amount reasonably necessary for this purpose.

10 *b1519/2.237* SECTION 3020q. 200.35 (14) (d) 1. of the statutes is amended to
11 read:

12 200.35 (14) (d) 1. The commission shall pay for the portion of the cost of a project
13 constructed by the commission under this subsection which equals the difference
14 between the cost of disposing of the waste rock at a disposal site which is approved
15 by the department of ~~natural resources~~ environmental management and which is
16 outside of the district's service area and the cost of disposing of the waste rock in the
17 project.

18 *b1519/2.237* SECTION 3020r. 200.47 (2) (a) of the statutes is amended to read:

19 200.47 (2) (a) Except as provided in par. (b), all work done and all purchases
20 of supplies and materials by the commission shall be by contract awarded to the
21 lowest responsible bidder complying with the invitation to bid, if the work or
22 purchase involves an expenditure of \$20,000 or more. If the commission decides to
23 proceed with construction of any sewer after plans and specifications for the sewer
24 are completed and approved by the commission and by the department of ~~natural~~
25 ~~resources~~ environmental management under ch. 281, the commission shall

1 advertise by a class 2 notice under ch. 985 for construction bids. All contracts and
2 the awarding of contracts are subject to s. 66.0901.

3 ***b1519/2.237* SECTION 3020s.** 200.49 (7) (b) of the statutes is amended to
4 read:

5 200.49 (7) (b) The executive director shall submit the plan to the secretary of
6 ~~natural resources~~ environmental management for review and comment. The
7 secretary of ~~natural resources~~ environmental management shall provide the
8 executive director with comments or recommendations for changes in the plan, if any,
9 within 30 days after the plan is submitted. No contracts may be awarded under sub.
10 (5) until 30 days after the date the plan is submitted to the secretary of ~~natural~~
11 ~~resources~~ environmental management or until the date the executive director
12 receives the secretary's comments or recommendations, whichever is earlier.”.

13 ***b1524/1.15* 1545.** Page 1003, line 6: after that line insert:

14 ***b1524/1.15* “SECTION 3020d.** 198.167 of the statutes is amended to read:

15 **198.167 Certified public accountant; annual report.** The directors of the
16 district shall employ annually the commission or a certified public accountant
17 licensed or certified under ch. 442 approved by said commission who shall be
18 qualified to, and who shall with all due diligence, examine and report upon the
19 system of accounts kept by the district, all the contracts of whatsoever kind made and
20 entered into by the board of directors within the year immediately preceding, and the
21 properties and investments of the district. ~~Said~~ The certified public accountant shall
22 in the report make such recommendations and suggestions as to the certified public
23 accountant shall seem proper and required for the good of the district, and the
24 efficient and economical or advantageous management and operation of the public

1 utility or utilities of the district; and the certified public accountant shall in the
2 report make such recommendations and suggestions as to the system of accounts
3 kept, or in the certified public accountant's judgment to be kept, by the district, in
4 connection with each public utility, the classification of the public utilities of the
5 district and the establishment of a system of accounts for each class, the manner in
6 which such accounts shall be kept, the form of accounts, records, and memoranda
7 kept or to be kept, including accounts, records, and memoranda of receipts and
8 expenditures of money, and depreciation and sinking fund accounts, as in the
9 certified public accountant's judgment may be proper and necessary, and shall not
10 conflict with the requirements of the commission.

11 *b1524/1.15* SECTION 3020h. 214.76 (2) and (4) of the statutes are amended
12 to read:

13 214.76 (2) The certified public accountant shall deliver the audit report to a
14 committee composed of 3 or more members of the board of directors, none of whom
15 may be an officer, employee or agent of the savings bank. The committee shall
16 present the nature, extent and conclusions of the report at the next meeting of the
17 board of directors. A written summary of the committee's presentation, together
18 with a copy of the audit report and a list of all criticisms made by the certified public
19 accountant conducting the audit and any response of any member of the board of
20 directors or any officer of the savings bank, shall be personally served or sent by
21 certified mail to all members of the board of directors.

22 (4) The audit report filed with the division shall be certified by the certified
23 public accountant conducting the audit. If a savings bank fails to cause an audit to
24 be made, the division shall order an audit to be made by an independent certified
25 public accountant at the savings bank's expense. Instead of the audit required under

1 sub. (1), the division may accept an audit or portion of an audit made exclusively for
2 a deposit insurance corporation or for a financial regulator of another state if the
3 home office of the savings bank is located in that state.

4 ***b1524/1.15* SECTION 3020p.** 215.523 (2) of the statutes is amended to read:

5 215.523 (2) Legal counsel, certified public accountants licensed or certified
6 under ch. 442, or other persons as to matters the director or officer believes in good
7 faith are within the person's professional or expert competence.

8 ***b1524/1.15* SECTION 3020t.** 217.08 (2) of the statutes is amended to read:

9 217.08 (2) ANNUAL LICENSE FEE; ADDITIONS AND DELETIONS OF LOCATIONS. Each
10 licensee shall file with the division on or before December 1 of each year a statement
11 listing the locations of the offices of the licensee and the names and locations of the
12 agents authorized by the licensee. Every licensee shall also on or before December
13 1 of each year file a financial statement of its assets and liabilities as of a date not
14 earlier than the preceding August 31 or, if the licensee is audited annually by an
15 independent certified public accountant licensed or certified under ch. 442 at the end
16 of each fiscal year, the licensee may submit financial statements certified by ~~said~~ the
17 certified public accountant for the licensee's latest fiscal year. Such statement shall
18 be accompanied by the annual licensee fee for the calendar year beginning the
19 following January 1 in an amount determined under s. 217.05. The amount of the
20 surety bond or deposit of securities required by s. 217.06 shall be adjusted to reflect
21 the number of such locations. Licensees which do not pay the maximum license fee
22 under s. 217.05 and which do not maintain a bond or deposit of securities in the
23 maximum sum of \$300,000 as provided in s. 217.06 shall also file a supplemental
24 statement setting forth any changes in the list of offices and agents with the division
25 on or before April 1, July 1 and October 1 of each year, and the principal sum of the

1 corporate surety bond or deposit of securities required by s. 217.06 shall be adjusted
2 to reflect any increase or decrease in the number of such locations. Any additional
3 license fees which may become due under s. 217.05 shall be paid to the division.”.

4 ***b1527/1.3* 1546.** Page 1003, line 6: after that line insert:

5 ***b1527/1.3*** “SECTION 3021. 220.04 (9) (a) 2. of the statutes is amended to read:

6 220.04 (9) (a) 2. “Regulated entity” means a bank, universal bank, trust
7 company bank, and any other entity ~~which~~ that is described in s. 220.02 (2) or
8 221.0526 as under the supervision and control of the division.

9 ***b1527/1.3* SECTION 3022.** 220.14 (5) of the statutes is created to read:

10 220.14 (5) Contain a statement of the total number of orders issued by the
11 division during the year under s. 222.0203 (2).”.

12 ***b1528/1.1* 1547.** Page 1003, line 6: after that line insert:

13 ***b1528/1.1*** “SECTION 3020d. Chapter 218 (title) of the statutes is amended
14 to read:

15 **CHAPTER 218**

16 **FINANCE COMPANIES, AUTO**

17 **DEALERS, ADJUSTMENT COMPANIES**

18 **AND, COLLECTION AGENCIES,**

19 **RENTAL-PURCHASE COMPANIES, AND**

20 **RENT-TO-OWN AGREEMENTS**

21 ***b1528/1.1* SECTION 3020f.** Subchapter XI of chapter 218 [precedes 218.61]
22 of the statutes is created to read:

23 **CHAPTER 218**

1 SUBCHAPTER XI

2 RENTAL–PURCHASE COMPANIES AND

3 RENT–TO–OWN AGREEMENTS

4 **218.61 Definitions.** In this subchapter:

5 (1) “Division” means the division of banking in the department of financial
6 institutions.

7 (2) “Lessee” means an individual who rents personal property under a
8 rent–to–own agreement.

9 (3) “Licensee” means a rental–purchase company holding a license issued by
10 the division under this subchapter.

11 (4) “Rental property” means personal property rented under a rent–to–own
12 agreement.

13 (5) “Rental–purchase company” means a person engaged in the business of
14 entering into rent–to–own agreements in this state or acquiring or servicing
15 rent–to–own agreements that are entered into in this state.

16 (6) “Rent–to–own agreement” means an agreement between a
17 rental–purchase company and a lessee for the use of personal property if all of the
18 following conditions are met:

19 (a) The personal property that is rented under the agreement is to be used
20 primarily for personal, family, or household purposes.

21 (b) The agreement has an initial term of 4 months or less and is automatically
22 renewable with each payment after the initial term.

23 (c) The agreement does not obligate or require the lessee to renew the
24 agreement beyond the initial term.

1 (d) The agreement permits, but does not obligate, the lessee to acquire
2 ownership of the personal property.

3 **218.612 Scope. (1) INAPPLICABILITY OF OTHER LAWS.** A rent-to-own agreement
4 under this subchapter is not governed by the laws relating to a security interest, as
5 defined in s. 401.201 (37), or a lease, as defined in s. 411.103 (1) (j), and is not
6 governed by chs. 421 to 427 and 429.

7 **(2) EXCLUSIONS.** This subchapter does not apply to any of the following:

8 (a) A lease or bailment of personal property that is incidental to the lease of real
9 property.

10 (b) A lease of a motor vehicle, as defined in s. 218.0101 (22).

11 (c) A credit sale, as defined in 15 USC 1602 (g) and in the regulations
12 promulgated under that section.

13 **218.614 Territorial application.** For the purposes of this subchapter, a
14 rent-to-own agreement is entered into in this state if any of the following applies:

15 (1) A writing signed by a lessee and evidencing the obligation under the
16 rent-to-own agreement or an offer of a lessee is received by a rental-purchase
17 company in this state.

18 (2) The rental-purchase company induces a lessee who is a resident of this
19 state to enter into the rent-to-own agreement by face-to-face solicitation or by mail
20 or telephone solicitation directed to the particular lessee in this state.

21 **218.616 Obligation of good faith.** Every agreement or duty under this
22 subchapter imposes an obligation of good faith in its performance or enforcement.
23 In this section, “good faith” means honesty in fact in the conduct or transaction
24 concerned and the observance of reasonable commercial standards of fair dealing.

1 **218.617 License required.** No person may operate as a rental-purchase
2 company without a valid license issued by the division under this subchapter.

3 **218.618 Application for license; fees; bond. (1) APPLICATION.** (a) An
4 application for a license under this subchapter shall be made to the division, in
5 writing, in the form prescribed by the division. An application for a license under this
6 subchapter shall include all of the following:

7 1. If the applicant is an individual, the applicant's social security number.

8 2. If the applicant is not an individual, the applicant's federal employer
9 identification number.

10 (b) The division may not disclose any information received under par. (a) 1. or
11 2. to any person except as follows:

12 1. The division may disclose information received under par. (a) 1. or 2. to the
13 department of revenue for the sole purpose of requesting certifications under s.
14 73.0301.

15 2. The division may disclose information received under par. (a) 1. to the
16 department of workforce development in accordance with a memorandum of
17 understanding entered into under s. 49.857.

18 **(2) APPLICATION FEES.** At the time of applying to the division for a license under
19 this subchapter, the applicant shall pay any applicable fee specified in the rules
20 promulgated under s. 218.63 (3).

21 **(3) BOND.** The division may require any applicant or licensee to file with the
22 division and maintain in force a bond, in a form prescribed by and acceptable to the
23 division, and in an amount determined by the division.

24 **218.62 Issuance or denial of license. (1) INVESTIGATION.** Upon the filing
25 of an application under s. 218.618 (1) and the payment of any applicable fee, the

1 division shall perform an investigation. Except as provided in sub. (3), if the division
2 finds that the character, general fitness, and financial responsibility of the applicant;
3 the members of the applicant, if the applicant is a partnership, limited liability
4 company, or association; and the officers and directors of the applicant, if the
5 applicant is a corporation warrant the belief that the business will be operated in
6 compliance with this subchapter, the division shall issue a license to the applicant.

7 (2) DENIAL; NOTICE; HEARING. Except as provided in sub. (3), the division may
8 deny an application made under s. 218.618 (1) by providing written notice to the
9 applicant stating the grounds for the denial. Except as provided in sub. (3), a person
10 whose application is denied may request a hearing under s. 227.44 within 30 days
11 after the date of denial. The division may appoint a hearing examiner under s. 227.46
12 to conduct the hearing.

13 (3) DENIAL; CHILD OR FAMILY SUPPORT OR TAX DELINQUENCY. The division may not
14 issue a license under this subchapter if any of the following applies:

15 (a) The applicant fails to provide the information required under s. 218.618 (1)

16 (a).

17 (b) The department of revenue certifies under s. 73.0301 that the applicant is
18 liable for delinquent taxes. An applicant for whom a license is not issued under this
19 paragraph for delinquent taxes is entitled to a notice under s. 73.0301 (2) (b) 1. b. and
20 a hearing under s. 73.0301 (5) (a) but is not entitled to any other notice or hearing
21 under this section.

22 (c) The applicant fails to comply, after appropriate notice, with a subpoena or
23 warrant issued by the department of workforce development or a county child
24 support agency under s. 59.53 (5) and related to paternity or child support
25 proceedings or is delinquent in making court-ordered payments of child or family

1 support, maintenance, birth expenses, medical expenses, or other expenses related
2 to the support of a child or former spouse, as provided in a memorandum of
3 understanding entered into under s. 49.857. An applicant whose application is
4 denied under this paragraph for delinquent payments is entitled to a notice and
5 hearing under s. 49.857 but is not entitled to any other notice or hearing under this
6 section.

7 **218.622 License; other business. (1) LICENSED LOCATIONS.** A license issued
8 under this subchapter shall specify the location at which the licensee is permitted
9 to conduct business. A separate license shall be required for each place of business
10 maintained by the licensee.

11 (2) ASSIGNMENT. A license issued under this subchapter is not assignable.

12 (3) POSTING. A licensee shall post its license in a conspicuous place at the
13 location specified in the license.

14 (4) TERM OF LICENSE; FEE. Every license shall remain in force until suspended
15 or revoked in accordance with this subchapter or surrendered by the licensee. Every
16 licensee shall, on or before June 1 of each year, pay to the division the annual license
17 fee specified in rules promulgated under s. 218.63 (3) and, if required by the division,
18 provide a rider or endorsement to increase the amount of any bond required under
19 s. 218.618 (3).

20 (5) OTHER BUSINESS PROHIBITED. No licensee may conduct business as a
21 rental-purchase company within any office, room, or place of business in which any
22 other business is solicited or engaged in, unless the licensee is authorized to do so,
23 in writing, by the division.

24 **218.624 Revocation, suspension, and restriction of license. (1)**
25 DISCRETIONARY SUSPENSION OR REVOCATION. The division may issue an order

1 suspending or revoking any license issued under this subchapter if the division finds
2 that any of the following applies:

3 (a) The licensee has violated any of the provisions of this subchapter, any rules
4 promulgated under s. 218.63 (3), or any lawful order of the division under s. 218.63
5 (1).

6 (b) A fact or condition exists that, if it had existed at the time of the original
7 application for the license, would have warranted the division in refusing to issue the
8 license.

9 (c) The licensee has made a material misstatement in an application for a
10 license or in information furnished to the division.

11 (d) The licensee has failed to pay the annual license fee required under s.
12 218.622 (4) or has failed to maintain in effect any bond required under s. 218.618 (3).

13 (e) The licensee has failed to provide any additional information, data, and
14 records required by the division, within the time period prescribed under s. 218.626
15 (2).

16 (f) The licensee has failed to pay any penalties due under s. 218.682 (1) or (2)
17 within 30 days after receiving notice, by certified mail, that the penalties are due.

18 (2) MANDATORY RESTRICTION OR SUSPENSION; CHILD OR FAMILY SUPPORT. The
19 division shall restrict or suspend a license issued under this subchapter if the
20 division finds that the licensee is an individual who fails to comply, after appropriate
21 notice, with a subpoena or warrant issued by the department of workforce
22 development or a county child support agency under s. 59.53 (5) and related to
23 paternity or child support proceedings or who is delinquent in making court-ordered
24 payments of child or family support, maintenance, birth expenses, medical expenses,
25 or other expenses related to the support of a child or former spouse, as provided in

1 a memorandum of understanding entered into under s. 49.857. A licensee whose
2 license is restricted or suspended under this subsection is entitled to a notice and
3 hearing only as provided in a memorandum of understanding entered into under s.
4 49.857 and is not entitled to any other notice or hearing under this section.

5 (3) MANDATORY REVOCATION; DELINQUENT TAXES. The division shall revoke a
6 license issued under this subchapter if the department of revenue certifies under s.
7 73.0301 that the licensee is liable for delinquent taxes. A licensee whose license is
8 revoked under this subsection for delinquent taxes is entitled to a notice under s.
9 73.0301 (2) (b) 1. b. and a hearing under s. 73.0301 (5) (a) but is not entitled to any
10 other notice or hearing under this section.

11 (4) REVOCATION AND SUSPENSION PROCEDURE. Except as provided in subs. (2) and
12 (3), the following procedure applies to every order of the division that suspends or
13 revokes a license issued under this subchapter:

14 (a) The division shall provide a written notice to the licensee of the division's
15 intent to issue an order suspending or revoking the licensee's license. The notice
16 shall specify the grounds for and the effective date of the proposed order.

17 (b) The licensee may file with the division a written response to the allegations
18 contained in the notice within 20 days after receiving the notice. The licensee's
19 written response may contain a request for a contested case hearing under s. 227.42.
20 If the written response does not contain a request for a contested case hearing under
21 s. 227.42, the right to a contested case hearing is waived.

22 (c) If a written response containing a request for a contested case hearing under
23 s. 227.42 is received by the division within the time provided under par. (b) and if,
24 in the opinion of the division, the matter satisfies all of the conditions specified in s.
25 227.42 (1) (a) to (d), the matter shall be scheduled for a contested case hearing to

1 commence within 60 days after the date on which the division receives the written
2 response.

3 (d) If the licensee fails to file a written response within the time provided under
4 par. (b), files a timely written response but fails to request a contested case hearing
5 under s. 227.42 or files a timely written response requesting a contested case hearing
6 but, in the opinion of the division, the matter fails to satisfy all of the conditions
7 specified in s. 227.42 (1) (a) to (d), the division may issue an order suspending or
8 revoking the license. If the licensee files a timely written response containing a
9 proper request for a contested case hearing under s. 227.42, any order of the division
10 suspending or revoking the licensee's license shall be stayed pending completion of
11 proceedings under ch. 227.

12 **218.626 Modification of license. (1) CHANGE IN PLACE OF BUSINESS.** No
13 licensee may change its place of business to another location without the prior
14 approval of the division. A licensee shall provide the division with at least 15 days'
15 prior written notice of a proposed change under this subsection and shall pay any
16 applicable fees specified in the rules promulgated under s. 218.63 (3). Upon approval
17 by the division of the new location, the division shall issue an amended license,
18 specifying the date on which the amended license is issued and the new location.

19 **(2) OTHER CHANGES.** Except as provided in sub. (1), a licensee shall notify the
20 division of any material change to the information provided in the licensee's original
21 application for a license under this subchapter or provided in a previous notice of
22 change filed by the licensee with the division under this subsection. A licensee shall
23 provide the notice required under this subsection within 10 days after the change.
24 The licensee shall provide any additional information, data, and records about the
25 change to the division within 20 days after the division requests the information,

1 data, or records. The division shall determine the cost of investigating and
2 processing the change. The licensee shall pay the division's cost within 30 days after
3 the division demands payment.

4 (3) DIVISION APPROVAL OF OTHER CHANGES. Any change that is subject to the
5 notice requirement under sub. (2) is subject to the approval of the division. In
6 reviewing the change, the division shall apply the same criteria as the criteria for
7 approval of an original license application.

8 **218.628 Annual report; records.** (1) ANNUAL REPORT. On or before March
9 31 of each year, a licensee shall file a report with the division giving such reasonable
10 and relevant information as the division may require concerning the business and
11 operations conducted by the licensee. The licensee shall make the report in the form
12 prescribed by the division.

13 (2) BOOKS AND RECORDS. A licensee shall keep such books and records in the
14 licensed location as, in the opinion of the division, will enable the division to
15 determine whether the provisions of this subchapter are being observed. Every
16 licensee shall preserve its records of a rent-to-own agreement for at least 3 years
17 after making the final entry with respect to the rent-to-own agreement.

18 **218.63 Powers and duties of division; administration.** (1) ORDERS. The
19 division may issue any general order, as defined in s. 217.02 (3), or special order, as
20 defined in s. 217.02 (10), in execution of or supplementary to this subchapter, except
21 that the division may not issue a general order or special order that conflicts with this
22 subchapter.

23 (2) INVESTIGATIONS AND EXAMINATIONS. For the purpose of discovering violations
24 of this subchapter, the division may cause an investigation or examination to be
25 made of the business of a licensee transacted under this subchapter. The place of