

1 approved by the board to a period not exceeding 3 years. For purposes of this section,
2 a part-time law enforcement or tribal law enforcement officer is a law enforcement
3 or tribal law enforcement officer who routinely works not more than one-half the
4 normal annual work hours of a full-time employee of the employing agency or unit
5 of government. Law enforcement training programs including municipal, county
6 and state programs meeting standards of the board are acceptable as meeting these
7 training requirements.

8 *b2098/1.5* SECTION 2858p. 165.85 (4) (bn) 1m. of the statutes is amended to
9 read:

10 165.85 (4) (bn) 1m. Each officer who is subject to subd. 1. shall biennially
11 complete at least 4 hours of training from curricula based upon model standards
12 promulgated by the board under par. (cm) 2. b. and at least one hour of training on
13 recognizing the symptoms of Alzheimer's disease or other related dementias and
14 interacting with and assisting persons who have Alzheimer's disease or other related
15 dementias. Hours of training completed under this subdivision shall count toward
16 the hours of training required under subd. 1.”.

17 *b2217/2.3* **1276.** Page 960, line 10: after that line insert:

18 *b2217/2.3* “SECTION 2858c. 165.77 (2) (a) 2. of the statutes is amended to
19 read:

20 165.77 (2) (a) 2. The laboratories may compare the data obtained from the
21 specimen with data obtained from other specimens. The laboratories may make data
22 obtained from any analysis and comparison available to law enforcement agencies
23 in connection with criminal or delinquency investigations and, upon request, to any
24 prosecutor, defense attorney or subject of the data. The data may be used in criminal

1 and delinquency actions and proceedings. ~~In this state, the use is subject to s. 972.11~~
2 (5). The laboratories shall not include data obtained from deoxyribonucleic acid
3 analysis of those specimens received under this paragraph in the data bank under
4 sub. (3). The laboratories shall destroy specimens obtained under this paragraph
5 after analysis has been completed and the applicable court proceedings have
6 concluded.

7 ***b2217/2.3* SECTION 2858e.** 165.77 (2m) of the statutes is created to read:

8 165.77 (2m) (a) If the laboratories receive biological material under a court
9 order issued under s. 974.07 (8), the laboratories shall analyze the deoxyribonucleic
10 acid in the material and submit the results of the analysis to the court that ordered
11 the analysis.

12 (b) The laboratories may compare the data obtained from material received
13 under par. (a) with data obtained from other specimens. The laboratories may make
14 data obtained from any analysis and comparison available to law enforcement
15 agencies in connection with criminal or delinquency investigations and, upon
16 request, to any prosecutor, defense attorney, or subject of the data. The data may be
17 used in criminal and delinquency actions and proceedings. The laboratories shall not
18 include data obtained from deoxyribonucleic acid analysis of material received under
19 par. (a) in the data bank under sub. (3).

20 (c) Paragraph (b) does not apply to specimens received under s. 51.20 (13) (cr),
21 165.76, 938.34 (15), 971.17 (1m) (a), 973.047, or 980.063.

22 ***b2217/2.3* SECTION 2858g.** 165.77 (3) of the statutes is amended to read:

23 165.77 (3) If the laboratories receive a human biological specimen under s.
24 51.20 (13) (cr), 165.76, 938.34 (15), 971.17 (1m) (a), 973.047 or 980.063, the
25 laboratories shall analyze the deoxyribonucleic acid in the specimen. The

1 laboratories shall maintain a data bank based on data obtained from
2 deoxyribonucleic acid analysis of those specimens. The laboratories may compare
3 the data obtained from one specimen with the data obtained from other specimens.
4 The laboratories may make data obtained from any analysis and comparison
5 available to law enforcement agencies in connection with criminal or delinquency
6 investigations and, upon request, to any prosecutor, defense attorney or subject of
7 the data. The data may be used in criminal and delinquency actions and proceedings.
8 ~~In this state, the use is subject to s. 972.11 (5).~~ The laboratories shall destroy
9 specimens obtained under this subsection after analysis has been completed and the
10 applicable court proceedings have concluded.

11 *b2217/2.3* SECTION 2858i. 165.81 (1) of the statutes is amended to read:

12 165.81 (1) Whenever the department is informed by the submitting officer or
13 agency that physical evidence in the possession of the laboratories is no longer
14 needed the department may, except as provided in sub. (3) or unless otherwise
15 provided by law, either destroy the same evidence, retain it in the laboratories,
16 return it to the submitting officer or agency, or turn it over to the University of
17 Wisconsin upon the request of the head of any department.—~~Whenever of the~~
18 University of Wisconsin. If the department returns the evidence to the submitting
19 officer or agency, any action taken by the officer or agency with respect to the
20 evidence shall be in accordance with s. 968.20. Except as provided in sub. (3),
21 whenever the department receives information from which it appears probable that
22 the evidence is no longer needed, the department may give written notice to the
23 submitting agency and the appropriate district attorney, by registered mail, of the
24 intention to dispose of the evidence. If no objection is received within 20 days after
25 the notice was mailed, it may dispose of the evidence.

1 ***b2217/2.3* SECTION 2858k.** 165.81 (3) of the statutes is created to read:

2 165.81 (3) (a) In this subsection:

3 1. “Custody” has the meaning given in s. 968.205 (1) (a).

4 2. “Discharge date” has the meaning given in s. 968.205 (1) (b).

5 (b) Except as provided in par. (c), if physical evidence that is in the possession
6 of the laboratories includes any biological material that was collected in connection
7 with a criminal investigation that resulted in a criminal conviction, a delinquency
8 adjudication, or commitment under s. 971.17 or 980.06, the laboratories shall
9 preserve the physical evidence until every person in custody as a result of the
10 conviction, adjudication, or commitment has reached his or her discharge date.

11 (c) Subject to par. (e), the department may destroy biological material before
12 the expiration of the time period specified in par. (b) if all of the following apply:

13 1. The department sends a notice of its intent to destroy the biological material
14 to all persons who remain in custody as a result of the criminal conviction,
15 delinquency adjudication, or commitment, and to either the attorney of record for
16 each person in custody or the state public defender.

17 2. No person who is notified under subd. 1. does either of the following within
18 90 days after the date on which the person received the notice:

19 a. Files a motion for testing of the biological material under s. 974.07 (2).

20 b. Submits a written request to preserve the biological material to the
21 department.

22 3. No other provision of federal or state law requires the department to preserve
23 the biological material.

24 (d) A notice provided under par. (c) 1. shall clearly inform the recipient that the
25 biological material will be destroyed unless, within 90 days after the date on which

1 the person receives the notice, either a motion for testing of the material is filed
2 under s. 974.07 (2) or a written request to preserve the material is submitted to the
3 department.

4 (e) If, after providing notice under par. (c) 1. of its intent to destroy biological
5 material, the department receives a written request to preserve the material, the
6 department shall preserve the material until the discharge date of the person who
7 made the request or on whose behalf the request was made, subject to a court order
8 issued under s. 974.07 (7), (9) (a), or (10) (a) 5., unless the court orders destruction
9 or transfer of the biological material under s. 974.07 (9) (b) or (10) (a) 5.

10 (f) Unless otherwise provided in a court order issued under s. 974.07 (9) (a) or
11 (b) or (10) (a) 5., nothing in this subsection prohibits the laboratories from returning
12 evidence that must be preserved under par. (b) or (e) to the agency that submitted
13 the evidence to the laboratories. If the laboratories return evidence that must be
14 preserved under par. (b) or (e) to a submitting agency, any action taken by the agency
15 with respect to the evidence shall be in accordance with s. 968.205.”.

16 *b2221/3.129* **1277**. Page 960, line 10: after that line insert:

17 *b2221/3.129* “SECTION 2859m. 165.85 (4) (b) 1. of the statutes, as affected
18 by 2001 Wisconsin Act ... (this act), is amended to read:

19 165.85 (4) (b) 1. No person may be appointed as a law enforcement or tribal law
20 enforcement officer, except on a temporary or probationary basis, unless the person
21 has satisfactorily completed a preparatory program of law enforcement training
22 approved by the board and has been certified by the board as being qualified to be
23 a law enforcement or tribal law enforcement officer. The program shall include 400
24 hours of training, except that the program for law enforcement officers who serve as

1 rangers for the department of natural resources or the department of forestry
2 includes 240 hours of training. The board shall promulgate a rule under ch. 227
3 providing a specific curriculum for a 400-hour conventional program and a 240-hour
4 ranger program. The rule shall ensure that there is an adequate amount of training
5 for each program to enable the person to deal effectively with domestic abuse
6 incidents, including training that addresses the emotional and psychological effect
7 that domestic abuse has on victims. The training under this subdivision shall
8 include training on emergency detention standards and procedures under s. 51.15,
9 emergency protective placement standards and procedures under s. 55.06 (11) and
10 information on mental health and developmental disabilities agencies and other
11 resources that may be available to assist the officer in interpreting the emergency
12 detention and emergency protective placement standards, making emergency
13 detentions and emergency protective placements and locating appropriate facilities
14 for the emergency detentions and emergency protective placements of persons. The
15 training under this subdivision shall include at least one hour of instruction on
16 recognizing the symptoms of Alzheimer's disease or other related dementias and
17 interacting with and assisting persons who have Alzheimer's disease or other related
18 dementias. The training under this subdivision shall include training on police
19 pursuit standards, guidelines and driving techniques established under par. (cm) 2.
20 b. The period of temporary or probationary employment established at the time of
21 initial employment shall not be extended by more than one year for an officer lacking
22 the training qualifications required by the board. The total period during which a
23 person may serve as a law enforcement and tribal law enforcement officer on a
24 temporary or probationary basis without completing a preparatory program of law
25 enforcement training approved by the board shall not exceed 2 years, except that the

1 board shall permit part-time law enforcement and tribal law enforcement officers
2 to serve on a temporary or probationary basis without completing a program of law
3 enforcement training approved by the board to a period not exceeding 3 years. For
4 purposes of this section, a part-time law enforcement or tribal law enforcement
5 officer is a law enforcement or tribal law enforcement officer who routinely works not
6 more than one-half the normal annual work hours of a full-time employee of the
7 employing agency or unit of government. Law enforcement training programs
8 including municipal, county and state programs meeting standards of the board are
9 acceptable as meeting these training requirements.”.

10 *b1025/1.2* **1278.** Page 965, line 4: after that line insert:

11 *b1025/1.2* “SECTION 2881ae. 167.10 (2) of the statutes is amended to read:
12 167.10 (2) SALE. No person may sell ~~or possess with intent to sell~~ fireworks,
13 except to any of the following:

- 14 (a) ~~To a~~ A person holding a permit under sub. (3) (c);
15 (b) ~~To a~~ A city, village, or town; ~~or,~~
16 (c) ~~For~~ A person for a purpose specified under sub. (3) (b) 2. to 6.

17 *b1025/1.2* SECTION 2881af. 167.10 (2) (d) of the statutes is created to read:
18 167.10 (2) (d) A nonresident person who, prior to the sale, gives the seller a
19 signed statement indicating that the fireworks are for use outside of this state.

20 *b1025/1.2* SECTION 2881ag. 167.10 (3) (title) of the statutes is repealed and
21 recreated to read:

22 167.10 (3) (title) POSSESSION AND USE.

23 *b1025/1.2* SECTION 2881ah. 167.10 (3) (a) of the statutes is amended to read:

1 167.10 (3) (a) ~~No~~ Except as otherwise provided in this paragraph, no person
2 may possess or use fireworks without a user's permit from the mayor of the city,
3 president of the village, or chairperson of the town in which the possession or use is
4 to occur or from an official or employee of that municipality designated by the mayor,
5 president, or chairperson. This paragraph does not prohibit the possession of
6 fireworks with intent to sell the fireworks in compliance with sub. (2). No person may
7 use fireworks or a device listed under sub. (1) (e) to (g) or (i) to (n) while attending
8 a fireworks display for which a permit has been issued to a person listed under par.
9 (c) 1. to 5. or under par. (c) 6. if the display is open to the general public.

10 ***b1025/1.2* SECTION 2881aj.** 167.10 (3) (b) (intro.) of the statutes is amended
11 to read:

12 167.10 (3) (b) (intro.) ~~Paragraph (a) does~~ The prohibitions under par. (a) do not
13 apply to:

14 ***b1025/1.2* SECTION 2881ak.** 167.10 (3) (b) 8. of the statutes is created to read:

15 167.10 (3) (b) 8. Except as provided in par. (bm), the possession of fireworks by
16 a nonresident person in any city, town, or village if the nonresident person intends
17 to use the fireworks outside of this state and is transporting the fireworks to a
18 location outside of this state.

19 ***b1025/1.2* SECTION 2881am.** 167.10 (3) (bm) of the statutes is amended to
20 read:

21 167.10 (3) (bm) Paragraph (a) applies to a person transporting fireworks under
22 par. (b) 7. or 8. if, in the course of transporting the fireworks through a city, town, or
23 village, the person remains in that city, town, or village for a period of at least 12
24 hours.

25 ***b1025/1.2* SECTION 2881an.** 167.10 (4) of the statutes is amended to read:

1 167.10 (4) ~~OUT OF STATE AND IN STATE SHIPPING.~~ SHIPPING AND TRANSPORTING.

2 This section does not prohibit a resident wholesaler or jobber from selling fireworks
3 to a nonresident person ~~outside of this state~~ or to a person or group granted a permit
4 under sub. (3) (c) 1. to 7. A resident wholesaler or resident jobber that ships the
5 fireworks sold under this subsection shall package and ship the fireworks in
6 accordance with applicable state and federal law by, as defined in s. 194.01 (1), (2),
7 and (11), common motor carrier, contract motor carrier, or private motor carrier.

8 ***b1025/1.2* SECTION 2881ap.** 167.10 (8) (b) of the statutes is amended to read:

9 167.10 (8) (b) Fireworks stored, handled, sold, possessed, or used by a person
10 who violates ~~this section, an ordinance adopted under sub. (5)~~ sub. (6m) (a), (b), or
11 (c); a rule promulgated under sub. (6m) (e); or a court order under par. (a) may be
12 seized and held as evidence of the violation. Except as provided in s. 968.20 (4), only
13 the fireworks that are the subject of a violation of this section, an ordinance adopted
14 under sub. (5), or a court order under par. (a) may be destroyed after conviction for
15 a violation. Except as provided in s. 968.20 (4), fireworks that are seized as evidence
16 of a violation for which no conviction results shall be returned to the owner in the
17 same condition as they were when seized to the extent practicable.”.

18 ***b2055/1.1* 1279.** Page 983, line 3: after that line insert:

19 ***b2055/1.1* “SECTION 2917b.** 180.0122 (1) (a) of the statutes is amended to
20 read:

21 180.0122 (1) (a) Articles of incorporation, ~~1 cent for each authorized share,~~
22 ~~except the minimum fee is \$90 and the maximum fee is \$10,000 and except that the~~
23 ~~fee for investment companies is determined under sub. (1m)~~ \$100.

1 ***b2055/1.1* SECTION 2917d.** 180.0122 (1) (m) of the statutes is amended to
2 read:

3 180.0122 (1) (m) Amendment of articles of incorporation, \$40; ~~plus 1 cent for~~
4 ~~each authorized share after the amendment, less a credit of 1 cent for each~~
5 ~~authorized share immediately before the amendment; except the maximum fee~~
6 ~~under this paragraph is \$10,000 and except that the fee for investment companies~~
7 ~~is determined under sub. (1m).~~

8 ***b2055/1.1* SECTION 2917f.** 180.0122 (1) (n) of the statutes is amended to read:

9 180.0122 (1) (n) Restatement of articles of incorporation with or without
10 amendment of articles, \$40; ~~plus 1 cent for each authorized share after the~~
11 ~~restatement and any amendment, less a credit of 1 cent for each authorized share~~
12 ~~immediately before the restatement and any amendment; except the maximum fee~~
13 ~~under this paragraph is \$10,000 and except that the fee for investment companies~~
14 ~~is determined under sub. (1m).~~

15 ***b2055/1.1* SECTION 2917h.** 180.0122 (1) (o) of the statutes is amended to
16 read:

17 180.0122 (1) (o) Articles of merger, \$50 for each domestic corporation and each
18 foreign corporation authorized to transact business in this state that is a party to the
19 merger; ~~plus 1 cent for each authorized share of the surviving domestic corporation~~
20 ~~after the merger, less a credit of 1 cent for each share that is authorized immediately~~
21 ~~before the merger by each domestic corporation that is a party to the merger; except~~
22 ~~the maximum fee under this paragraph is \$10,000 and except that the fee for~~
23 ~~investment companies is determined under sub. (1m).~~

24 ***b2055/1.1* SECTION 2917j.** 180.0122 (1) (om) of the statutes is amended to
25 read:

1 180.0122 (1) (om) Articles of share exchange, \$50 for each domestic corporation
2 and each foreign corporation authorized to transact business in this state that is a
3 party to the share exchange; ~~plus 1 cent for each authorized share of the acquiring~~
4 ~~domestic corporation after the share exchange, less a credit of 1 cent for each share~~
5 ~~that is authorized immediately before the share exchange by the acquiring domestic~~
6 ~~corporation; except the maximum fee under this paragraph is \$10,000.~~

7 ***b2055/1.1* SECTION 2917m.** 180.0122 (1) (x) of the statutes is amended to
8 read:

9 180.0122 (1) (x) Annual report of a domestic corporation that is submitted to
10 the department by authorized electronic means, \$25; annual report of a domestic
11 corporation that is submitted to the department on paper, \$40.

12 ***b2055/1.1* SECTION 2917p.** 180.0122 (1) (y) of the statutes is amended to
13 read:

14 180.0122 (1) (y) Annual report of a foreign corporation, ~~\$50,~~ that is submitted
15 to the department by authorized electronic means, \$65, and annual report submitted
16 to the department on paper, \$80, and in case the annual report shows that the foreign
17 corporation employs in this state capital in excess of the amount of capital on which
18 a fee has previously been paid, computed as provided in s. 180.1503, an additional
19 fee which, with previous payments made on account of capital employed in this state,
20 will amount to \$2 for each \$1,000 or fraction thereof of the excess.”.

21 ***b2055/1.2* 1280.** Page 983, line 6: after that line insert:

22 ***b2055/1.2* “SECTION 2918m.** 180.0122 (1m) of the statutes is repealed.”.

23 ***b1524/1.11* 1281.** Page 983, line 18: after that line insert:

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

3 180.0701 (4) (c) Ratification of the selection of independent certified public
4 accountants licensed or certified under ch. 442.

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

6 180.0826 (2) Legal counsel, certified public accountants licensed or certified
7 under ch. 442, or other persons as to matters that the director or officer believes in
8 good faith are within the person's professional or expert competence.

9 ***b1524/1.11* SECTION 2920n.** 180.1903 (1) of the statutes is amended to read:

10 180.1903 (1) ~~One~~ Except as provided in sub. (1m), one or more natural persons
11 licensed, certified, or registered pursuant to any provisions of the statutes, if all have
12 the same license, certificate, or registration or if all are health care professionals,
13 may organize and own shares in a service corporation. A service corporation may
14 own, operate, and maintain an establishment and otherwise serve the convenience
15 of its shareholders in carrying on the particular profession, calling, or trade for which
16 the licensure, certification, or registration of its organizers is required.

17 ***b1524/1.11* SECTION 2920r.** 180.1903 (1m) of the statutes is created to read:

18 180.1903 (1m) A service corporation for carrying on the profession of certified
19 public accounting may be organized under sub. (1) if more than 50% of the
20 shareholders are certified public accountants.

21 ***b1524/1.11* SECTION 2920w.** 180.1921 (2) of the statutes is amended to read:

22 180.1921 (2) The report shall show the address of this service corporation's
23 principal office and the name and post-office address of each shareholder, director,
24 and officer of the service corporation and shall certify that, with the exceptions
25 permitted in s. ss. 180.1903 (1m) and 180.1913, each shareholder, director, and

1 officer is licensed, certified, registered, or otherwise legally authorized to render the
2 same professional or other personal service in this state or is a health care
3 professional. The service corporation shall prepare the report on forms prescribed
4 and furnished by the department, and the report shall contain no fiscal or other
5 information except that expressly called for by this section. The department shall
6 forward report blanks by 1st class mail to every service corporation in good standing,
7 at least 60 days before the date on which the service corporation is required by this
8 section to file an annual report.”.

9 *b1524/1.12* **1282.** Page 984, line 10: after that line insert:

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

11 181.0850 (2) PROFESSIONALS AND EXPERTS. Legal counsel, certified public
12 accountants licensed or certified under ch. 442, or other persons as to matters the
13 director or officer believes in good faith are within the person’s professional or expert
14 competence.

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

17 181.1620 (2) (intro.) ~~ACCOUNTANT’S~~ CERTIFIED PUBLIC ACCOUNTANT’S REPORT OR
18 OFFICER’S STATEMENT. If annual financial statements are reported upon by a certified
19 public accountant licensed or certified under ch. 442, the certified public
20 accountant’s report must accompany them. If not, the statements must be
21 accompanied by a statement of the president or the person responsible for the
22 corporation’s financial accounting records that includes all of the following:”.

23 *b1524/1.13* **1283.** Page 985, line 9: after that line insert:

24 *b1524/1.13* “SECTION 2932m. 185.363 (2) of the statutes is amended to read:

1 185.363 (2) Legal counsel, certified public accountants licensed or certified
2 under ch. 442, or other persons as to matters the director or officer believes in good
3 faith are within the person's professional or expert competence.”.

4 ***b2054/1.1* 1284.** Page 985, line 9: after that line insert:

5 ***b2054/1.1* “SECTION 2932h.** 185.61 (1) of the statutes is amended to read:

6 185.61 (1) (a) If otherwise lawful, any 2 or more associations may merge or
7 consolidate under this chapter or under the law of the state where the surviving or
8 new association will exist.

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

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

18 ***b2054/1.1* SECTION 2932r.** 185.62 (5) of the statutes is created to read:

19 185.62 (5) The surviving association, in the case of a merger, or the new
20 association, in the case of consolidation, shall prepare an annual report on the
21 implementation of any provision in the plan of merger or consolidation relating to the
22 equity interest of any member that was affected by the merger or consolidation. The
23 report shall be kept in the principal office of the surviving association, in the case of
24 a merger, or in the principal office of the new association, in the case of consolidation,

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

7 ***b2055/1.3* 1285.** Page 985, line 9: after that line insert:

8 ***b2055/1.3* “SECTION 2928r.** 183.0114 (1) (w) of the statutes is amended to
9 read:

10 183.0114 (1) (w) Annual report of a foreign limited liability company, ~~\$50 that~~
11 is submitted to the department by authorized electronic means, \$65; annual report
12 submitted to the department on paper, \$80.”.

13 ***b1281/1.2* 1286.** Page 985, line 20: after that line insert:

14 ***b1281/1.2* “SECTION 2972k.** 194.01 (7) of the statutes is amended to read:
15 194.01 (7) “Motor vehicle” means any automobile, truck, trailer, semitrailer,
16 tractor, motor bus or any self-propelled or motor driven vehicle, except a low-speed
17 vehicle, motorcycle, moped, motor bicycle or a vehicle operated on rails.”.

18 ***b1524/1.14* 1287.** Page 985, line 20: after that line insert:

19 ***b1524/1.14* “SECTION 2943m.** 186.094 (2) of the statutes is amended to read:
20 186.094 (2) Legal counsel, certified public accountants licensed or certified
21 under ch. 442, or other persons as to matters the director or officer believes in good
22 faith are within the person’s professional or expert competence.

23 ***b1524/1.14* SECTION 2952m.** 186.15 (1) of the statutes is amended to read:

1 186.15 (1) ANNUAL AUDIT. Except as provided in sub. (2), the board of directors
2 shall hire a ~~licensed certified~~ public accountant licensed or certified under ch. 442 or
3 other qualified person to conduct a comprehensive annual audit of the records,
4 accounts and affairs of the credit union.

5 ***b1524/1.14* SECTION 2972d.** 187.31 (2) of the statutes is amended to read:

6 187.31 (2) Legal counsel, certified public accountants licensed or certified
7 under ch. 442, or other professional persons or experts employed by the incorporated
8 Roman Catholic church, as to matters the director or officer believes in good faith are
9 within the person's professional or expert competence.

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

11 187.41 (2) Legal counsel, certified public accountants licensed or certified
12 under ch. 442, or other professional persons or experts employed by the religious
13 organization, as to matters the director or officer believes in good faith are within the
14 person's professional or expert competence.”.

15 ***b2131/1.1* 1288.** Page 985, line 20: after that line insert:

16 ***b2131/1.1* “SECTION 2972b.** 196.01 (5) (b) 6. of the statutes is created to read:

17 196.01 (5) (b) 6. A person that owns an electric generating facility or
18 improvement to an electric generating facility that is subject to a leased generation
19 contract, as defined in s. 196.52 (9) (a) 3., unless the person furnishes, directly to the
20 public, telecommunications or sewer service, heat, light, water or power or, by means
21 of pipes or mains, natural gas.”.

22 ***b2142/2.1* 1289.** Page 987, line 17: delete the material beginning with that
23 line and ending with page 989, line 3.

24 ***b0993/2.3* 1290.** Page 989, line 6: after that line insert:

1 ***b0993/2.3* SECTION 2981m.** 196.208 (5p) of the statutes is created to read:

2 196.208 (5p) TOLL-FREE CALLS ANSWERED BY PRISONERS. (a) In this subsection:

3 1. “Charitable organization” has the meaning given in s. 440.41 (1).

4 2. “Prisoner” has the meaning given in s. 134.73 (1) (b).

5 (b) If a prisoner is employed directly or indirectly by a charitable organization
6 or toll-free service vendor to answer calls made to the charitable organization or
7 toll-free service vendor, the prisoner shall do all of the following immediately upon
8 answering a call:

9 1. Identify himself or herself by name.

10 2. State that he or she is a prisoner.

11 3. Inform the calling party of the name of the correctional or detention facility
12 in which he or she is a prisoner and the city and state in which the facility is located.

13 (c) A charitable organization or toll-free service vendor that directly or
14 indirectly employs a prisoner shall provide reasonable supervision of the prisoner to
15 assure the prisoner’s compliance with par. (b).

16 ***b0993/2.3* SECTION 2981p.** 196.208 (10) (a) of the statutes is amended to
17 read:

18 196.208 (10) (a) Subsections (2) to (5) apply to any pay-per-call service that
19 a caller may access by a call originating in this state and ~~sub. (5p) and (5t)~~
20 applies apply to any charitable organization, toll-free service vendor, or employee of
21 a charitable organization or toll-free service vendor that a caller may access by a call
22 originating in this state.

23 ***b0993/2.3* SECTION 2981r.** 196.208 (11) (d) of the statutes is renumbered
24 196.208 (11) (d) 1. and amended to read:

1 196.208 (11) (d) 1. Any Except as provided in subd. 2., any person who violates
2 subs. (2) to (9) shall be required to forfeit not less than \$25 nor more than \$5,000 for
3 each offense.

4 3. Forfeitures under ~~this paragraph~~ subds. 1. and 2. shall be enforced by action
5 on behalf of the state by the department of justice or, upon informing the department
6 of justice, by the district attorney of the county where the violation occurs.

7 ***b0993/2.3* SECTION 2981s.** 196.208 (11) (d) 2. of the statutes is created to
8 read:

9 196.208 (11) (d) 2. a. A prisoner who violates sub. (5p) (b) may be required to
10 forfeit not more than \$500.

11 b. A person who employs a prisoner to answer calls made to a toll-free
12 telephone number may be required to forfeit not more than \$10,000 if the person
13 violates sub. (5p) (c), aids and abets a prisoner's violation of sub. (5p) (b), is a party
14 to a conspiracy with a prisoner to commit a violation of sub. (5p) (b), or advises, hires,
15 or counsels or otherwise procures a prisoner to commit a violation of sub. (5p) (b).”.

16 ***b1819/1.1* 1291.** Page 989, line 6: after that line insert:

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

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

1 programs. If the commission promulgates such rules, a commercial mobile radio
2 service provider shall respond, subject to the protection of the commercial mobile
3 radio service provider’s competitive information, to all reasonable requests for
4 information about its operations in this state from the commission necessary to
5 administer the universal service fund.”.

6 ***b2177/1.1* 1292.** Page 989, line 6: after that line insert:

7 ***b2177/1.1* “SECTION 2981r.** 196.218 (3) (a) 3. of the statutes is renumbered
8 196.218 (3) (a) 3. (intro.) and amended to read:

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

13 a. The amount appropriated under ss. s. 20.155 (1) (q), except that in fiscal year
14 2003–04 the total amount of contributions in that fiscal year under this subd. 3. a.
15 may not exceed \$5,000,000 and except that beginning in fiscal year 2004–05 the total
16 amount of contributions in a fiscal year under this subd. 3. a. may not exceed
17 \$6,000,000.

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

20 3m. Contributions under this paragraph may be based only on the gross
21 operating revenues from the provision of broadcast services identified by the
22 commission under subd. 2. and on intrastate telecommunications services in this
23 state of the telecommunications providers subject to the contribution.”.

24 ***b1994/8.49* 1293.** Page 989, line 8: delete “(7)” and substitute “(7)”.

1 ***b2109/1.4* 1294.** Page 989, line 17: after that line insert:

2 ***b2109/1.4*** “SECTION 2983m. 196.218 (5) (a) 10. of the statutes is created to
3 read:

4 196.218 (5) (a) 10. To make the grant awarded by the technology for educational
5 achievement in Wisconsin board to the Racine Unified School District under s. 44.72
6 (3).”.

7 ***b2131/1.2* 1295.** Page 992, line 12: after that line insert:

8 ***b2131/1.2*** “SECTION 3001b. 196.491 (1) (w) of the statutes is renumbered
9 196.491 (1) (w) 1., and 196.491 (1) (w) 1. (intro.), as renumbered, is amended to read:

10 196.491 (1) (w) 1. (intro.) “Wholesale merchant plant” means, except as
11 provided in subd. 2., electric generating equipment and associated facilities located
12 in this state that do not provide service to any retail customer and that are owned
13 and operated by any of the following:

14 ***b2131/1.2* SECTION 3001d.** 196.491 (1) (w) 2. of the statutes is created to
15 read:

16 196.491 (1) (w) 2. “Wholesale merchant plant” does not include an electric
17 generating facility or an improvement to an electric generating facility that is subject
18 to a leased generation contract, as defined in s. 196.52 (9) (a) 3.”.

19 ***b2142/2.2* 1296.** Page 993, line 12: after that line insert:

20 ***b2142/2.2*** “SECTION 3001p. 196.496 of the statutes is created to read:

21 **196.496 Distributed generation facilities. (1) DEFINITION.** In this section,
22 “distributed generation facility” means a facility for the generation of electricity with
23 a capacity of no more than 15 megawatts that is located near the point where the

1 electricity will be used or is in a location that will support the functioning of the
2 electric power distribution grid.

3 (2) RULES. The commission shall promulgate rules establishing standards for
4 the connection of distributed generation facilities to electric distribution facilities.
5 To the extent technically feasible and cost effective, the standards shall be uniform
6 and shall promote the development of distributed generation facilities. The
7 standards shall address engineering, electric reliability, and safety concerns and the
8 methods for determining charges for interconnection.”.

9 *b2150/2.11* **1297.** Page 995, line 10: after that line insert:

10 *b2150/2.11* “SECTION 3007m. 121.06 (4) of the statutes is amended to read:

11 121.06 (4) For purposes of computing state aid under s. 121.08, equalized
12 valuations calculated under sub. (1) and certified under sub. (2) shall include the full
13 value of ~~computers~~ property that ~~are~~ is exempt under s. 70.11 (39) and (39m) as
14 determined under s. 79.095 (3).”.

15 *b2131/1.3* **1298.** Page 995, line 11: delete the material beginning with that
16 line and ending with page 998, line 17, and substitute:

17 *b2131/1.3* “SECTION 3008mc. 196.52 (9) of the statutes is created to read:

18 196.52 (9) (a) In this subsection:

19 1. “Electric generating equipment” means any of the following:

20 a. An electric generator.

21 b. A machine that drives an electric generator, including an engine, turbine,
22 water wheel, or wind mill.

1 c. Equipment that converts a fuel or source of energy into energy that powers
2 a machine that drives an electric generator, including a boiler, but not including a
3 nuclear reactor.

4 d. A fuel or photovoltaic cell.

5 2. “Electric generating facility” means electric generating equipment and
6 associated facilities that, together, constitute a complete facility for the generation
7 of electricity.

8 3. “Leased generation contract” means a contract or arrangement or set of
9 contracts or arrangements under which an affiliated interest of a public utility
10 agrees with the public utility to construct or improve an electric generating facility
11 and to lease to the public utility land and the facility for operation by the public
12 utility.

13 (b) The commission may approve a leased generation contract under sub. (3)
14 only if all of the following apply:

15 1. The commission has not issued a certificate under s. 196.49 or a certificate
16 of public convenience and necessity under s. 196.491 (3) before January 1, 2002, for
17 any construction or improvement that is subject to the leased generation contract.

18 2. Construction or improvement of the electric generating facility that is
19 subject to the leased generation contract commences on or after January 1, 2002.

20 3. Except as provided in s. 196.795 (5) (k) 3., no electric generating facility,
21 electric generating equipment, or associated facilities, held or used by the public
22 utility for the provision of electric service, is transferred to the affiliated interest.

23 4. The estimated gross cost of the construction or improvement that is subject
24 to the leased generation contract is at least \$10,000,000.

25 5. The construction or improvement is not to a nuclear-powered facility.

1 6. Any real property that the public utility transfers to the affiliated interest
2 for the purpose of implementing the leased generation contract is transferred at book
3 value, which is determined on the basis of the regulated books of account at the time
4 of the transfer.

5 7. If the public utility transfers real property to the affiliated interest for the
6 purpose of implementing the leased generation contract, the leased generation
7 contract provides for transferring that real property back to the public utility, on the
8 same terms and conditions as the original transfer, if the commission determines
9 that the construction or improvement that is subject to the leased generation
10 contract has not been completed.

11 8. The leased generation contract provides that, upon termination of the
12 contract, all of the following apply:

13 a. The public utility shall have the option, subject to commission approval, to
14 extend the contract, or purchase the electric generating facility or the improvements
15 to an electric generating facility, at fair market value as determined by a valuation
16 process that is conducted by an independent third party and that is specified in the
17 contract.

18 b. If the public utility exercises the option specified in subd. 8. a., the affiliated
19 interest may require the public utility to extend the contract, rather than purchase
20 the facilities or improvements, if the affiliated interest demonstrates to the
21 commission that the extension avoids material adverse tax consequences and that
22 the extension provides terms and conditions that are economically equivalent to a
23 purchase.

24 9. For any gas-fired electric generating facility that is constructed under the
25 leased generation contract, the term of the lease is 20 years or more.

1 10. For any coal-fired electric generating facility that is constructed under the
2 leased generation contract, the term of the lease is 25 years or more.

3 11. The leased generation contract does not take effect until the date on which
4 the affiliated interest commences construction or improvement of the electric
5 generating facility, except that, if the leased generation contract relates to the
6 construction or improvement of more than one electric generating facility, the leased
7 generation contract does not take effect with respect to the construction or
8 improvement of an individual electric generating facility until the date on which the
9 affiliated interest commences construction or improvement on that electric
10 generating facility.

11 (c) Except as provided in par. (d), the commission may not increase or decrease
12 the retail revenue requirements of a public utility on the basis of any income,
13 expense, gain, or loss that is received or incurred by an affiliated interest of the public
14 utility and that arises from the ownership of an electric generating facility or an
15 improvement to an electric generating facility by an affiliated interest under a leased
16 generation contract.

17 (d) The commission shall allow a public utility that has entered into a leased
18 generation contract that has been approved by the commission under sub. (3) to
19 recover fully in its retail rates that portion of any payments under the leased
20 generation contract that the commission allocates to the public utility's retail electric
21 service, and that portion of all other costs that is prudently incurred in the public
22 utility's operation and maintenance of the electric generating facility or
23 improvement that is subject to the leased generation contract and that the
24 commission allocates to the public utility's retail electric service.

1 (e) Notwithstanding sub. (5) (a), the commission may not modify or terminate
2 a leased generation contract approved under sub. (3) except as specified in the leased
3 generation contract or the commission's order approving the leased generation
4 contract.

5 (f) The commission shall maintain jurisdiction to ensure that the construction
6 or improvement under a leased generation contract approved under sub. (3) is
7 completed as provided in the leased generation contract.

8 (g) Nothing in this subsection prohibits a cooperative association organized
9 under ch. 185, a municipal utility, as defined in s. 196.377 (2) (a) 3., or a municipal
10 electric company, as defined in s. 66.0825 (3) (d), from acquiring an interest in an
11 electric generating facility that is constructed pursuant to a leased generation
12 contract or from acquiring an interest in land on which such an electric generating
13 facility is located.”.

14 *b2131/1.4* **1299.** Page 999, line 6: delete lines 6 to 12 and substitute:

15 *b2131/1.4* **SECTION 3011jc.** 196.795 (5) (k) 3. of the statutes is created to
16 read:

17 196.795 (5) (k) 3. For the purpose of implementing a leased generation
18 contract, as defined in s. 196.52 (9) (a) 3., that is approved under s. 196.52 (3), a public
19 utility affiliate may transfer to a nonutility affiliate, at book value determined on the
20 basis of the regulated books of account at the time of the transfer, any of the following:

21 a. Land that is held or used for the provision of utility service.

22 b. Electric generating equipment or associated facilities that are located on the
23 land on which an electric generating facility subject to a leased generation contract
24 is to be constructed, and that are part of an electric generating facility on that land

1 that is no longer used or useful for the provision of utility service and that has been
2 retired from the provision of utility service.”.

3 *b0957/1.12* **1300.** Page 1003, line 6: after that line insert:

4 *b0957/1.12* “**SECTION 3020h.** 200.49 (1) (a) of the statutes is amended to
5 read:

6 200.49 (1) (a) “Minority business” means a sole proprietorship, partnership,
7 ~~limited liability company, joint venture or corporation that is at least 51% owned and~~
8 ~~controlled by one or more minority group members and that is engaged in~~
9 ~~construction or construction-related activities~~ business that is certified by the
10 department of commerce under s. 560.036 (2).

11 *b0957/1.12* **SECTION 3020i.** 200.49 (3) (intro.) of the statutes is amended to
12 read:

13 200.49 (3) **REQUEST FOR PROPOSALS.** (intro.) The executive director shall request
14 proposals for prime contracts from bondable general contractors or construction
15 contractors that are ~~bona fide independent~~ minority businesses. Each proposal
16 submitted shall include all of the following conditions:

17 *b0957/1.12* **SECTION 3020j.** 200.49 (3) (b) of the statutes is amended to read:

18 200.49 (3) (b) A subcontracting plan that provides sufficient detail to enable
19 the executive director to determine that the prime contractor has made or will make
20 a good faith effort to award at least 20% of the total contract amount to ~~bona fide~~
21 ~~independent~~ minority business subcontractors.

22 *b0957/1.12* **SECTION 3020k.** 200.49 (4) of the statutes is repealed.”.

23 *b1281/1.3* **1301.** Page 1003, line 6: after that line insert:

24 *b1281/1.3* “**SECTION 3020e.** 218.0101 (19m) of the statutes is created to read:

1 218.0101 (19m) “Low-speed vehicle” has the meaning given in s. 340.01 (27m).

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

4 218.0101 (23) (a) 2. Is engaged wholly or in part in the business of selling or
5 leasing motor vehicles, including motorcycles and low-speed vehicles, whether or
6 not the motor vehicles are owned by that person, firm or corporation.

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

9 218.0114 (5) (a) A motor vehicle dealer or an applicant for a motor vehicle
10 dealer license shall provide and maintain in force a bond or irrevocable letter of credit
11 of not less than \$25,000 or, if the dealer or applicant sells or proposes to sell
12 motorcycles or low-speed vehicles, or both, and not other types of motor vehicles, a
13 bond or irrevocable letter of credit of not less than \$5,000. The bond or letter of credit
14 shall be executed in the name of the department of transportation for the benefit of
15 any person who sustains a loss because of an act of a motor vehicle dealer that
16 constitutes grounds for the suspension or revocation of a license under ss. 218.0101
17 to 218.0163.

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

19 218.0122 (3) This section does not apply to motorcycles or low-speed vehicles
20 that are delivered in a crated, disassembled condition to the dealer or the dealer’s
21 agent.

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

24 218.0171 (2) (b) 2. b. Accept return of the motor vehicle and refund to the
25 consumer and to any holder of a perfected security interest in the consumer’s motor

1 vehicle, as their interest may appear, the full purchase price plus any sales tax,
2 finance charge, amount paid by the consumer at the point of sale and collateral costs,
3 less a reasonable allowance for use. Under this subdivision, a reasonable allowance
4 for use may not exceed the amount obtained by multiplying the full purchase price
5 of the motor vehicle by a fraction, the denominator of which is 100,000 or, for a
6 motorcycle or low-speed vehicle, 20,000, and the numerator of which is the number
7 of miles the motor vehicle was driven before the consumer first reported the
8 nonconformity to the motor vehicle dealer.”.

9 *b1461/3.18* **1302.** Page 1003, line 6: after that line insert:

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

12 221.0320 (2) (a) (intro.) A liability secured by warehouse receipts issued by
13 warehouse keepers licensed and bonded in this state under ss. 99.02 and 99.03 or
14 under the federal bonded warehouse act or holding a ~~registration certificate~~ license
15 under ~~ch. 127 s. 126.26~~, if all of the following requirements are met:”.

16 *b1524/1.15* **1303.** Page 1003, line 6: after that line insert:

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

18 **198.167 Certified public accountant; annual report.** The directors of the
19 district shall employ annually the commission or a certified public accountant
20 licensed or certified under ch. 442 approved by said commission who shall be
21 qualified to, and who shall with all due diligence, examine and report upon the
22 system of accounts kept by the district, all the contracts of whatsoever kind made and
23 entered into by the board of directors within the year immediately preceding, and the
24 properties and investments of the district. ~~Said~~ The certified public accountant shall

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

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

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

1 (4) The audit report filed with the division shall be certified by the certified
2 public accountant conducting the audit. If a savings bank fails to cause an audit to
3 be made, the division shall order an audit to be made by an independent certified
4 public accountant at the savings bank's expense. Instead of the audit required under
5 sub. (1), the division may accept an audit or portion of an audit made exclusively for
6 a deposit insurance corporation or for a financial regulator of another state if the
7 home office of the savings bank is located in that state.

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

9 215.523 (2) Legal counsel, certified public accountants licensed or certified
10 under ch. 442, or other persons as to matters the director or officer believes in good
11 faith are within the person's professional or expert competence.

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

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

1 under s. 217.05 and which do not maintain a bond or deposit of securities in the
2 maximum sum of \$300,000 as provided in s. 217.06 shall also file a supplemental
3 statement setting forth any changes in the list of offices and agents with the division
4 on or before April 1, July 1 and October 1 of each year, and the principal sum of the
5 corporate surety bond or deposit of securities required by s. 217.06 shall be adjusted
6 to reflect any increase or decrease in the number of such locations. Any additional
7 license fees which may become due under s. 217.05 shall be paid to the division.”.

8 *b1528/1.1* **1304.** Page 1003, line 6: after that line insert:

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

11 **CHAPTER 218**

12 **FINANCE COMPANIES, AUTO**

13 **DEALERS, ADJUSTMENT COMPANIES**

14 **AND, COLLECTION AGENCIES,**

15 **RENTAL-PURCHASE COMPANIES, AND**

16 **RENT-TO-OWN AGREEMENTS**

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

19 **CHAPTER 218**

20 **SUBCHAPTER XI**

21 **RENTAL-PURCHASE COMPANIES AND**

22 **RENT TO OWN AGREEMENTS**

23 **218.61 Definitions.** In this subchapter:

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

3 (2) “Lessee” means an individual who rents personal property under a
4 rent-to-own agreement.

5 (3) “Licensee” means a rental-purchase company holding a license issued by
6 the division under this subchapter.

7 (4) “Rental property” means personal property rented under a rent-to-own
8 agreement.

9 (5) “Rental-purchase company” means a person engaged in the business of
10 entering into rent-to-own agreements in this state or acquiring or servicing
11 rent-to-own agreements that are entered into in this state.

12 (6) “Rent-to-own agreement” means an agreement between a
13 rental-purchase company and a lessee for the use of personal property if all of the
14 following conditions are met:

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

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

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

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

23 **218.612 Scope. (1) INAPPLICABILITY OF OTHER LAWS.** A rent-to-own agreement
24 under this subchapter is not governed by the laws relating to a security interest, as

1 defined in s. 401.201 (37), or a lease, as defined in s. 411.103 (1) (j), and is not
2 governed by chs. 421 to 427 and 429.

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

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

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

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

9 **218.614 Territorial application.** For the purposes of this subchapter, a
10 rent-to-own agreement is entered into in this state if any of the following applies:

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

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

17 **218.616 Obligation of good faith.** Every agreement or duty under this
18 subchapter imposes an obligation of good faith in its performance or enforcement.
19 In this section, “good faith” means honesty in fact in the conduct or transaction
20 concerned and the observance of reasonable commercial standards of fair dealing.

21 **218.617 License required.** No person may operate as a rental-purchase
22 company without a valid license issued by the division under this subchapter.

23 **218.618 Application for license; fees; bond.** (1) APPLICATION. (a) An
24 application for a license under this subchapter shall be made to the division, in

1 writing, in the form prescribed by the division. An application for a license under this
2 subchapter shall include all of the following:

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

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

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

8 1. The division may disclose information received under par. (a) 1. or 2. to the
9 department of revenue for the sole purpose of requesting certifications under s.
10 73.0301.

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

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

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

20 **218.62 Issuance or denial of license.** (1) INVESTIGATION. Upon the filing
21 of an application under s. 218.618 (1) and the payment of any applicable fee, the
22 division shall perform an investigation. Except as provided in sub. (3), if the division
23 finds that the character, general fitness, and financial responsibility of the applicant;
24 the members of the applicant, if the applicant is a partnership, limited liability
25 company, or association; and the officers and directors of the applicant, if the

1 applicant is a corporation warrant the belief that the business will be operated in
2 compliance with this subchapter, the division shall issue a license to the applicant.

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

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

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

12 (a).

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

18 (c) The applicant fails to comply, after appropriate notice, with a subpoena or
19 warrant issued by the department of workforce development or a county child
20 support agency under s. 59.53 (5) and related to paternity or child support
21 proceedings or is delinquent in making court-ordered payments of child or family
22 support, maintenance, birth expenses, medical expenses, or other expenses related
23 to the support of a child or former spouse, as provided in a memorandum of
24 understanding entered into under s. 49.857. An applicant whose application is
25 denied under this paragraph for delinquent payments is entitled to a notice and

1 hearing under s. 49.857 but is not entitled to any other notice or hearing under this
2 section.

3 **218.622 License; other business. (1) LICENSED LOCATIONS.** A license issued
4 under this subchapter shall specify the location at which the licensee is permitted
5 to conduct business. A separate license shall be required for each place of business
6 maintained by the licensee.

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

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

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

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

20 **218.624 Revocation, suspension, and restriction of license. (1)**
21 DISCRETIONARY SUSPENSION OR REVOCATION. The division may issue an order
22 suspending or revoking any license issued under this subchapter if the division finds
23 that any of the following applies:

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

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

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

9 (d) The licensee has failed to pay the annual license fee required under s.
10 218.622 (4) or has failed to maintain in effect any bond required under s. 218.618 (3).

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

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

16 **(2) MANDATORY RESTRICTION OR SUSPENSION; CHILD OR FAMILY SUPPORT.** The
17 division shall restrict or suspend a license issued under this subchapter if the
18 division finds that the licensee is an individual who fails to comply, after appropriate
19 notice, with a subpoena or warrant issued by the department of workforce
20 development or a county child support agency under s. 59.53 (5) and related to
21 paternity or child support proceedings or who is delinquent in making court-ordered
22 payments of child or family support, maintenance, birth expenses, medical expenses,
23 or other expenses related to the support of a child or former spouse, as provided in
24 a memorandum of understanding entered into under s. 49.857. A licensee whose
25 license is restricted or suspended under this subsection is entitled to a notice and

1 hearing only as provided in a memorandum of understanding entered into under s.
2 49.857 and is not entitled to any other notice or hearing under this section.

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

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

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

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

20 (c) If a written response containing a request for a contested case hearing under
21 s. 227.42 is received by the division within the time provided under par. (b) and if,
22 in the opinion of the division, the matter satisfies all of the conditions specified in s.
23 227.42 (1) (a) to (d), the matter shall be scheduled for a contested case hearing to
24 commence within 60 days after the date on which the division receives the written
25 response.

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

10 **218.626 Modification of license. (1) CHANGE IN PLACE OF BUSINESS.** No
11 licensee may change its place of business to another location without the prior
12 approval of the division. A licensee shall provide the division with at least 15 days'
13 prior written notice of a proposed change under this subsection and shall pay any
14 applicable fees specified in the rules promulgated under s. 218.63 (3). Upon approval
15 by the division of the new location, the division shall issue an amended license,
16 specifying the date on which the amended license is issued and the new location.

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

1 processing the change. The licensee shall pay the division's cost within 30 days after
2 the division demands payment.

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

7 **218.628 Annual report; records.** (1) ANNUAL REPORT. On or before March
8 31 of each year, a licensee shall file a report with the division giving such reasonable
9 and relevant information as the division may require concerning the business and
10 operations conducted by the licensee. The licensee shall make the report in the form
11 prescribed by the division.

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

17 **218.63 Powers and duties of division; administration.** (1) ORDERS. The
18 division may issue any general order, as defined in s. 217.02 (3), or special order, as
19 defined in s. 217.02 (10), in execution of or supplementary to this subchapter, except
20 that the division may not issue a general order or special order that conflicts with this
21 subchapter.

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

1 be open to the division for the purpose of an investigation or examination, and the
2 division has authority to examine under oath all persons whose testimony is required
3 for an investigation or examination. The division shall determine the cost of an
4 investigation or examination. The licensee shall pay the cost of an investigation or
5 examination. The licensee shall pay the cost of any hearing held for the purpose of
6 this subsection, including witness fees, unless the division or a court finds that the
7 licensee has not violated any provision of this subchapter. The licensee shall pay all
8 costs owing under this subsection within 30 days after the division demands
9 payment. The state may maintain an action for the recovery of any costs owing under
10 this subsection.

11 (3) RULES. The division may promulgate rules for the administration of this
12 subchapter.

13 (4) TESTIMONIAL POWERS AND POWERS TO SECURE EVIDENCE. The division has the
14 same power to conduct hearings, take testimony, and secure evidence as is provided
15 in ss. 217.17 and 217.18.

16 (5) ENFORCEMENT. The division has the duty, power, jurisdiction, and authority
17 to investigate, ascertain, and determine whether this subchapter or any lawful
18 orders issued under sub. (1) are being violated. The division may report violations
19 of this subchapter to the attorney general or the district attorney of the proper county
20 for prosecution.

21 **218.632 General requirements of disclosure. (1) FORM, LOCATION, SIZE, AND**
22 **TIME OF DISCLOSURE.** The information required under s. 218.634 to be included in a
23 rent-to-own agreement shall satisfy all of the following requirements:

24 (a) The information shall be clearly and conspicuously disclosed.

25 (b) The information shall be disclosed in writing.

1 (c) The information shall be disclosed on the face of the rent-to-own agreement
2 above the line for the lessee's signature.

3 (d) The information shall be disclosed in not less than 8-point standard type.

4 (e) The information shall be disclosed before the time that the lessee becomes
5 legally obligated under the rent-to-own agreement.

6 (2) ACCURACY OF DISCLOSURE. The information required under s. 218.634 must
7 be accurate as of the time that it is disclosed to the lessee. If any information
8 subsequently becomes inaccurate as a result of any act, occurrence, or agreement by
9 the lessee, the resulting inaccuracy is not a violation of this subchapter.

10 (3) COPY OF RENT-TO-OWN AGREEMENT. The rental-purchase company shall
11 provide the lessee with a copy of the completed rent-to-own agreement signed by the
12 lessee. If more than one lessee is legally obligated under the same rent-to-own
13 agreement, delivery of a copy of the completed rent-to-own agreement to one of the
14 lessees shall satisfy this subsection.

15 (4) SINGLE INSTRUMENT. In a rent-to-own agreement, the lessee's payment
16 obligations shall be evidenced by a single instrument, which shall include the
17 signature of the rental-purchase company, the signature of the lessee, and the date
18 on which the instrument is signed.

19 **218.634 Required provisions of rent-to-own agreement.** A
20 rental-purchase company shall include all of the following information, to the extent
21 applicable, in every rent-to-own agreement:

22 (1) DESCRIPTION. A brief description of the rental property, sufficient to identify
23 the rental property to the lessee and the rental-purchase company, including any
24 identification number, and a statement indicating whether the rental property is

1 new or used. A statement that incorrectly indicates that new rental property is used
2 is not a violation of this subchapter.

3 (2) CASH PRICE. The price at which the rental–purchase company would sell the
4 rental property to the lessee if the lessee were to pay for the rental property in full
5 on the date on which the rent–to–own agreement is executed, along with a statement
6 that, if the lessee intends to acquire ownership of the rental property and is able to
7 pay for the property in full or is able to obtain credit to finance the purchase, the
8 lessee may be able to purchase similar property from a retailer at a lower cost.

9 (3) RENTAL PAYMENT. The periodic rental payment for the rental property.

10 (4) UP–FRONT PAYMENT. Any payment required of the lessee at the time that the
11 agreement is executed or at the time that the rental property is delivered, including
12 the initial rental payment, any application or processing charge, any delivery fee, the
13 applicable tax, and any charge for a liability damage waiver or for other optional
14 services agreed to by the lessee.

15 (5) PERIODIC RENTAL PAYMENTS TO ACQUIRE OWNERSHIP. The total number, total
16 dollar amount, and timing of all periodic rental payments necessary to acquire
17 ownership of the rental property.

18 (6) OTHER CHARGES AND FEES TO ACQUIRE OWNERSHIP. The dollar amount, both
19 itemized and in total, of all taxes, liability damage waiver fees, fees for optional
20 services, processing fees, application fees, and delivery charges that the lessee would
21 incur if the lessee were to rent the rental property until the lessee acquires
22 ownership, assuming that the lessee does not add or decline the liability damage
23 waiver or optional services after signing the rent–to–own agreement.

24 (7) TOTAL PAYMENTS TO ACQUIRE OWNERSHIP. The total of all charges to be paid
25 by the lessee to acquire ownership of the rental property, which shall consist of the

1 sum of the total dollar amount of all periodic rental payments disclosed under sub.
2 (5) and the total dollar amount of all other charges and fees disclosed under sub. (6),
3 along with a statement that this is the amount a lessee will pay to acquire ownership
4 of the rental property if the tax rates do not change and if the lessee does not add or
5 decline the liability damage waiver or optional services after signing the
6 rent-to-own agreement.

7 (8) OTHER CHARGES. An itemized description of any other charges or fees that
8 the rental-purchase company may charge the lessee.

9 (9) SUMMARY OF EARLY-PURCHASE OPTION. A statement summarizing the terms
10 of the lessee's option to acquire ownership of the rental property, including a
11 statement indicating that the lessee has the right to acquire ownership of the rental
12 property at any time after the first payment by paying all past-due payments and
13 fees and an amount not to exceed an amount equal to the cash price of the rental
14 property multiplied by a fraction that has as its numerator the number of periodic
15 rental payments remaining under the rent-to-own agreement and that has as its
16 denominator the total number of periodic rental payments.

17 (10) RESPONSIBILITY FOR THEFT OR DAMAGE. A statement that, unless otherwise
18 agreed, the lessee is responsible for the fair market value of the rental property,
19 determined according to the early-purchase option formula under sub. (9), if the
20 rental property is stolen, damaged, or destroyed while in the possession of or subject
21 to the control of the lessee. The statement shall indicate that the fair market value
22 will be determined as of the date on which the rental property is stolen, damaged,
23 or destroyed.

24 (11) SERVICE AND WARRANTY. A statement that during the term of the
25 rent-to-own agreement, the rental-purchase company is required to service the

1 rental property to maintain it in good working condition, as long as no other person
2 has serviced the rental property. In lieu of servicing the rental property, the
3 rental-purchase company may, at its option, replace the rental property. The
4 rental-purchase company's obligation to provide service is limited to defects in the
5 property not caused by improper use or neglect by the lessee or harmful conditions
6 outside the control of the rental-purchase company or manufacturer.

7 (12) TERMINATION AT OPTION OF LESSEE. A statement that the lessee may
8 terminate the agreement at any time without penalty by voluntarily surrendering
9 or returning the rental property in good repair.

10 (13) RIGHT TO REINSTATE. A brief explanation of the lessee's right to reinstate
11 a rent-to-own agreement under s. 218.654.

12 (14) RENTAL, NOT PURCHASE. A statement that the lessee will not own the rental
13 property until the lessee has made all payments necessary to acquire ownership or
14 has exercised the lessee's early-purchase option. The rental-purchase company
15 shall also include a notice reading substantially as follows: "You are renting this
16 property. You will not own the property until you make all payments necessary to
17 acquire ownership or until you exercise your early-purchase option. If you do not
18 make your payments as scheduled or exercise your early-purchase option, the lessor
19 may repossess the property."

20 (15) INFORMATION ABOUT RENTAL-PURCHASE COMPANY AND LESSEE. The names of
21 the rental-purchase company and the lessee, the rental-purchase company's
22 business address and telephone number, the lessee's address, and the date on which
23 the rent-to-own agreement is executed.

1 **218.636 Prohibited provisions of rent-to-own agreement.** A
2 rental-purchase company may not include any of the following provisions in a
3 rent-to-own agreement:

4 (1) **CONFESSION.** A confession of judgment.

5 (2) **SECURITY.** A provision granting the rental-purchase company a security
6 interest in any property except the rental property delivered by the rental-purchase
7 company under the rent-to-own agreement.

8 (3) **REPOSSESSION.** A provision authorizing the rental-purchase company or an
9 agent of the rental-purchase company to enter the lessee's premises or to commit a
10 breach of the peace in the repossession of rental property provided by the
11 rental-purchase company under the rent-to-own agreement.

12 (4) **WAIVER.** A waiver of a defense or counterclaim, a waiver of any right to
13 assert any claim that the lessee may have against the rental-purchase company or
14 against an agent of the rental-purchase company, or a waiver of any provision of this
15 subchapter.

16 (5) **OVERPAYMENT.** A provision requiring periodic rental payments totaling more
17 than the total dollar amount of all periodic rental payments necessary to acquire
18 ownership, as disclosed in the rental-purchase agreement.

19 (6) **INSURANCE.** A provision requiring the lessee to purchase insurance from the
20 rental-purchase company to insure the rental property.

21 (7) **ATTORNEY FEES.** A provision requiring the lessee to pay attorney fees.

22 **218.638 Liability waiver.** A rental-purchase company may offer a liability
23 waiver to the lessee. The terms of the waiver shall be provided to the lessee in
24 writing, and the face of the writing shall clearly disclose that the lessee is not
25 required to purchase the waiver. The fee for the waiver may not exceed 10% of the

1 periodic rental payment due under the rent-to-own agreement. The lessee shall be
2 entitled to cancel the waiver at the end of any rental term.

3 **218.64 Early-purchase option.** An early-purchase option under a
4 rent-to-own agreement shall permit the lessee to purchase the rental property at
5 any time after the initial periodic rental payment for an amount determined
6 according to the early-purchase option formula under s. 218.634 (9). As a condition
7 of exercising the early-purchase option, the rental-purchase company may require
8 the lessee to be current on the payments under the lessee's rent-to-own agreement
9 or to pay any past-due rental charges and other outstanding fees that are owed.

10 **218.642 Receipts and statements. (1) RECEIPTS.** A rental-purchase
11 company shall provide a written receipt to a lessee for any payment made by the
12 lessee in cash, or upon the request of the lessee, for any other type of payment.

13 **(2) STATEMENT DUE TO LESSEE.** Subject to sub. (4), upon the request of a lessee,
14 a rental-purchase company shall provide a written statement to the lessee showing
15 the lessee's payment history under each rent-to-own agreement between the lessee
16 and the rental-purchase company. A rental-purchase company is not required to
17 provide a statement covering any rent-to-own agreement that terminated more
18 than one year prior to the date of the lessee's request. A rental-purchase company
19 may provide a single statement covering all rent-to-own agreements or separate
20 statements for each rent-to-own agreement, at the rental-purchase company's
21 option.

22 **(3) STATEMENT DUE TO 3RD PARTY.** Subject to sub. (4), upon the written request
23 of a lessee, made during the term of or no later than one year after the termination
24 of a rent-to-own agreement, a rental-purchase company shall provide a written

1 statement to any person designated by the lessee, showing the lessee's payment
2 history under the rent-to-own agreement.

3 (4) FEE FOR STATEMENT. A lessee or, if appropriate, a lessee's designee is entitled
4 to receive one statement under subs. (2) and (3) without charge once every 12
5 months. A rental-purchase company shall provide an additional statement if the
6 lessee pays the rental-purchase company's reasonable costs of preparing and
7 furnishing the statement.

8 **218.644 Price cards displayed.** (1) PRICE CARDS; GENERALLY. Except as
9 provided under sub. (2), a rental-purchase company shall display a card or tag that
10 clearly and conspicuously states all of the following information on or next to any
11 property displayed or offered by the rental-purchase company for rent under a
12 rent-to-own agreement:

13 (a) The cash price that an individual would pay to purchase the property.

14 (b) The amount of the periodic rental payment and the term over which the
15 payment must be made.

16 (c) The total number and total dollar amount of all periodic rental payments
17 necessary to acquire ownership of the property under a rent-to-own agreement.

18 (d) Whether the property is new or used.

19 (2) EXCEPTIONS. If property is offered for rent under a rent-to-own agreement
20 through a catalog, or if the size of the property is such that displaying a card or tag
21 on or next to the property is impractical, a rental-purchase company may make the
22 disclosures required under sub. (1) in a catalog or list that is readily available to
23 prospective lessees.

24 **218.646 Advertising.** (1) DISCLOSURE REQUIRED. Except as provided under
25 sub. (2), if an advertisement for a rent-to-own agreement refers to or states the

1 amount of a payment for a specific item of property, the rental–purchase company
2 shall ensure that the advertisement clearly and conspicuously states all of the
3 following:

4 (a) That the transaction advertised is a rent–to–own agreement.

5 (b) The total number and total dollar amount of all periodic rental payments
6 necessary to acquire ownership of the property.

7 (c) That the lessee does not acquire ownership of the property if the lessee fails
8 to make all periodic rental payments or other payments necessary to acquire
9 ownership of the property.

10 (2) EXCEPTION. Subsection (1) does not apply to an in–store display or to an
11 advertisement that is published in the yellow pages of a telephone directory or in a
12 similar directory of businesses.

13 **218.648 Referral transactions. (1) PROHIBITED REFERRAL TRANSACTIONS.** No
14 rental–purchase company may induce any individual to enter into a rent–to–own
15 agreement by giving or offering to give a rebate or discount to the individual in
16 consideration of the individual giving to the rental–purchase company the names of
17 prospective lessees if the earning of the rebate or discount is contingent on the
18 occurrence of any event that takes place after the time that the individual enters into
19 the rent–to–own agreement.

20 (2) AUTHORIZED REFERRAL TRANSACTIONS. After entering into a rent–to–own
21 agreement, a rental–purchase company may give or offer to give a rebate or discount
22 to the lessee under the rent–to–own agreement in consideration of the lessee giving
23 to the rental–purchase company the names of prospective lessees. A rebate or
24 discount under this subsection may be contingent on the occurrence of any event that
25 takes place after the time that the names are given to the rental–purchase company.

1 **218.65 Termination of rent-to-own agreement.** The termination date of
2 a rent-to-own agreement is the earlier of the following:

3 (1) The day specified in the rent-to-own agreement as the day on which the
4 rental term ends, unless a different day has been established pursuant to the terms
5 of the rent-to-own agreement.

6 (2) The date on which the lessee voluntarily surrenders the rental property.

7 **218.652 Late payment, grace period, and late fees.** (1) LATE FEE;
8 GENERALLY. If a lessee fails to make a periodic rental payment when due under a
9 rent-to-own agreement or if, at the end of any rental term, the lessee fails to return
10 the rental property or to renew the rent-to-own agreement for an additional term,
11 the rental-purchase company may require the lessee to pay a late fee. Except as
12 provided under sub. (4), this subsection does not apply if the lessee's failure to return
13 the rental property or failure to renew the rent-to-own agreement at the end of the
14 rental term is due to the lessee's exercise of an early-purchase option under the
15 rent-to-own agreement or is due to the lessee making all periodic rental payments
16 necessary to acquire ownership of the rental property.

17 (2) GRACE PERIODS. The following grace periods shall apply to periodic rental
18 payments made with respect to a rental-purchase agreement:

19 (a) For an agreement that is renewed on a weekly basis, no late fee may be
20 assessed for a periodic rental payment that is made within 2 days after the date on
21 which the payment is due.

22 (b) For an agreement that is renewed for a term that is longer than one week,
23 no late fee may be assessed for a periodic rental payment that is made within 5 days
24 after the date on which the payment is due.