

State of Wisconsin



2003 Senate Bill 53

Date of enactment: **November 25, 2003**
Date of publication*: **December 10, 2003**

2003 WISCONSIN ACT 86

AN ACT to amend 403.104 (6); and to create 403.103 (2) (hr), 403.104 (11), 403.416 (1) (f), 403.417 (1) (d), 404.104 (3) (fe), 404.207 (1) (f) and 404.208 (1) (d) of the statutes; **relating to:** regulating the negotiation and collection of demand drafts.

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

SECTION 1. 403.103 (2) (hr) of the statutes is created to read:

403.103 (2) (hr) "Demand draft" — s. 403.104 (11).

SECTION 2. 403.104 (6) of the statutes is amended to read:

403.104 (6) "Check" means a draft, other than a documentary draft, payable on demand and drawn on a bank or means a cashier's check or teller's check, or demand draft. An instrument may be a check even though it is described on its face by another term, such as money order.

SECTION 3. 403.104 (11) of the statutes is created to read:

403.104 (11) (a) Except as provided under par. (b), "demand draft" means a writing that is not signed by a customer, as defined in s. 404.104 (1) (e), that is created by a 3rd party under the purported authority of the customer for the purpose of charging the customer's account with a bank, that contains the account number of that account, and that contains at least one of the following:

1. The customer's name.
2. A notation that the customer authorized the demand draft.

3. The statement "No signature required," "Authorization on file," or "Signature on file," or words to that effect.

(b) "Demand draft" does not include a check drawn by a fiduciary, as defined in s. 403.307 (1) (a).

SECTION 4. 403.416 (1) (f) of the statutes is created to read:

403.416 (1) (f) If the instrument is a demand draft, the creation of the instrument according to the terms on its face was authorized by the person identified as the drawer.

SECTION 5. 403.417 (1) (d) of the statutes is created to read:

403.417 (1) (d) If the instrument is a demand draft, the creation of the instrument according to the terms on its face was authorized by the person identified as the drawer.

SECTION 6. 404.104 (3) (fe) of the statutes is created to read:

404.104 (3) (fe) "Demand draft" — s. 403.104 (11).

SECTION 7. 404.207 (1) (f) of the statutes is created to read:

404.207 (1) (f) If the item is a demand draft, the creation of the item according to the terms on its face was authorized by the person identified as the drawer.

SECTION 8. 404.208 (1) (d) of the statutes is created to read:

* Section 991.11, WISCONSIN STATUTES 2001-02 : Effective date of acts. "Every act and every portion of an act enacted by the legislature over the governor's partial veto which does not expressly prescribe the time when it takes effect shall take effect on the day after its date of publication as designated" by the secretary of state [the date of publication may not be more than 10 working days after the date of enactment].

404.208 (1) (d) If the draft is a demand draft, the creation of the draft according to the terms on its face was authorized by the person identified as the drawer.
