



2005 SENATE BILL 424

November 7, 2005 - Introduced by Senator GROTHMAN, cosponsored by Representative SUDER. Referred to Committee on Veterans, Homeland Security, Military Affairs, Small Business and Government Reform.

1 **AN ACT to amend** 177.17 (4) (a) 1., 177.22 (1), 177.23 (1) and 177.27 (2) of the
2 statutes; **relating to:** abandoned and unclaimed property.

Analysis by the Legislative Reference Bureau

Under current law, before depositing annual remittances and proceeds from the sale of abandoned property into the school fund, the State Treasurer must record the name and address of the last-known person entitled to the abandoned property. The State Treasurer may not make this information public until 24 months after payment or delivery of the property to his or her custody. This bill changes this 24-month period to a 12-month period.

Current law requires the State Treasurer, within three years of receiving abandoned property, to sell it to the highest bidder at a public sale in the city, village, or town that the State Treasurer believes affords the most favorable market for the property. This bill instead requires the State Treasurer to sell the property to the highest bidder in a manner that affords the most favorable market for the property.

Current law generally provides that, if property is unclaimed for five years, or is dormant for the assigned or specified dormancy period, it is deemed abandoned and is reported and delivered to the State Treasurer. Property delivered to the custody of the State Treasurer before the five-year period has expired is presumed not to be abandoned. This bill repeals this presumption, thereby allowing the State Treasurer to deposit, advertise, and distribute the property before the five-year period has expired.

Current law requires the holder of unclaimed property to submit to the State Treasurer annually by November 1 a report identifying the property held for the

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previous calendar year. This bill requires the report to identify the property held for the previous fiscal year.

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

1 **SECTION 1.** 177.17 (4) (a) 1. of the statutes is amended to read:

2 177.17 (4) (a) 1. Before November 1 of each year, each holder shall file a report
3 covering the previous calendar fiscal year. On written request by any person
4 required to file a report, the administrator may extend the deadline established in
5 this paragraph.

6 **SECTION 2.** 177.22 (1) of the statutes is amended to read:

7 177.22 (1) Except as provided in subs. (2) and (4), the administrator, within 3
8 years after the receipt of abandoned property, shall sell it to the highest bidder at
9 ~~public sale in the city, village or town in this state which~~ in a manner that, in the
10 judgment of the administrator, affords the most favorable market for the property.
11 The administrator may decline the highest bid and reoffer the property for sale if,
12 in his or her judgment, the bid is insufficient. If the administrator determines that
13 the probable cost of sale exceeds the value of the property, it need not be offered for
14 sale. Any public sale under this section ~~held under this section in a city, village, or~~
15 ~~town in this state~~ shall be preceded by the publication of one notice, at least 3 weeks
16 in advance of sale, in a newspaper of general circulation in the county in which the
17 property is to be sold.

18 **SECTION 3.** 177.23 (1) of the statutes is amended to read:

19 177.23 (1) Except as provided in sub. (2), the administrator shall deposit in the
20 school fund all funds received under this chapter, including the clear proceeds from
21 the sale of abandoned property under s. 177.22. Before making the deposit, the

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1 administrator shall record the name and last-known address of each person
2 appearing from the holders' reports to be entitled to the property and the name and
3 last-known address of each insured person or annuitant and beneficiary and, with
4 respect to each policy or contract listed in the report of an insurance company, its
5 number, the name of the company and the amount due. The information recorded
6 by the administrator under this subsection is not available for inspection or copying
7 under s. 19.35 (1) until 24 12 months after payment or delivery of the property is due
8 under s. 177.17 (4) (a).

9 **SECTION 4.** 177.27 (2) of the statutes is amended to read:

10 177.27 (2) A holder may report and deliver property before the property is
11 presumed abandoned with the written consent of the administrator and upon the
12 conditions and terms prescribed by the administrator. ~~Property delivered under this~~
13 ~~subsection shall be held by the administrator and is not presumed abandoned until~~
14 ~~the time it would be presumed abandoned under this chapter.~~

15 **SECTION 5. Nonstatutory provisions.**

16 (1) Notwithstanding section 177.17 (4) (a) 1. of the statutes, as affected by this
17 act, the report due before November 1, 2006, shall cover the period from January 1,
18 2005, to June 30, 2006.

19 **SECTION 6. Initial applicability.**

20 (1) This act first applies to property delivered to or in the possession of, and
21 information relating to property delivered to or in the possession of, the state
22 treasurer on the effective date of this subsection.

23 (END)