AN ACT to amend 995.12 (3) (c) of the statutes; relating to: service on foreign corporations (suggested as remedial legislation by the Office of the Secretary of State).

Analysis by the Legislative Reference Bureau

In 1998, Wisconsin entered into a comprehensive settlement agreement (agreement) with the leading U.S. tobacco manufacturers regulating their sales and marketing of tobacco products in this state. Any tobacco manufacturers selling tobacco products in the state who do not participate in that agreement are required to appoint an agent in this state for accepting service of process. Under current law, if a tobacco manufacturer selling tobacco products in the state that is a nonparticipant in the agreement fails to maintain an agent for service of process in this state, the secretary of state shall be deemed the nonparticipating manufacturer’s agent for service of process for lawsuits filed against the nonparticipating manufacturer in this state. This bill changes “secretary of state” to “department of financial institutions” in the statutes as the agent for nonparticipating tobacco manufacturers, in order to reflect that under current law all corporations who have no official agent for service of process in this state are deemed to have appointed the Department of Financial Institutions as their agent.
ASSEMBLY BILL 615

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

LAW REVISION COMMITTEE PREFATORY NOTE: This bill is a remedial legislation proposal, requested by the Office of the Secretary of State and introduced by the Law Revision Committee under s. 13.83 (1) (c) 4., stats. After careful consideration of the various provisions of the bill, the Law Revision Committee has determined that this bill makes minor substantive changes in the statutes, and that these changes are desirable as a matter of public policy.

SECTION 1. 995.12 (3) (c) of the statutes is amended to read:

995.12 (3) (c) Service on secretary of state department of financial institutions.

Any nonparticipating manufacturer whose cigarettes are sold in this state, who has not appointed and engaged an agent as required in this subsection, shall be considered to have appointed the secretary of state department of financial institutions as that agent and may be proceeded against in courts of this state by service of process upon the secretary of state department of financial institutions provided, however, that the appointment of the secretary of state department of financial institutions as that agent does not satisfy the condition precedent for having the brand families of the nonparticipating manufacturer included or retained in the directory under sub. (2) (b).

NOTE: This bill amends the statute that provides that a cigarette manufacturer who is not participating in the 1998 tobacco settlement, and who is not appointed an agent for service of process for legal proceedings, is considered to have appointed the secretary of state as the agent. The bill changes the agent from the secretary of state to the department of financial institutions.

(END)