

**2013 DRAFTING REQUEST**

**Bill**

Received: **3/22/2013** Received By: **agary**  
Wanted: **As time permits** Same as LRB: **-0219**  
For: **Frank Lasee (608) 266-3512** By/Representing: **Rob Kovach**  
May Contact: Drafter: **agary**  
Subject: **Fin. Inst. - UCC** Addl. Drafters:  
Extra Copies:

Submit via email: **YES**  
Requester's email: **Sen.Lasee@legis.wisconsin.gov**  
Carbon copy (CC) to: **aaron.gary@legis.wisconsin.gov**

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**Pre Topic:**

No specific pre topic given

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**Topic:**

UCC article 4A (chapter 410), funds transfers; remittance transfers

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**Instructions:**

See attached

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**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	agary 3/22/2013	scalvin 3/25/2013	phenry 3/25/2013	_____			
/1				_____	sbasford 3/25/2013	sbasford 3/25/2013	

FE Sent For:

<END>

not  
needed

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1/?	agary		3/25 ph	<del>_____</del>			

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<END>

PA's: Please  
jacket the //,  
Thx.  
ARG

**Gary, Aaron**

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**From:** Barman, Mike  
**Sent:** Friday, March 22, 2013 2:45 PM  
**To:** Gary, Aaron  
**Subject:** Companion Bill Needed For .... LRB-0219/1 ... relating to: remittance transfers under the Uniform Commercial Code Article 4A, relating to funds transfers.  
**Attachments:** 13-0219\_1 (1).pdf

Looks like they are looking to have a companion bill drafted ...

Thanks,  
MB

3/22 t/c from Josh  
- permission to  
Sen. Lasee for  
Companion

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**From:** Kovach, Robert  
**Sent:** Friday, March 22, 2013 2:40 PM  
**To:** LRB.Legal  
**Subject:** FW: CO-SPONSORSHIP of LRB-0219/1 relating to: remittance transfers under the Uniform Commercial Code Article 4A, relating to funds transfers.

Dear LRB specialists;

Please jacket a Senate Version of this bill for Senator Lasee,

Thanks!

**Rob Kovach**

Policy Advisor/Committee Clerk  
Office of Senator Frank Lasee  
(608) 266-3512

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**From:** Rep.Sanfelippo  
**Sent:** Tuesday, March 19, 2013 3:03 PM  
**To:** \*Legislative All Assembly; \*Legislative All Senate  
**Subject:** CO-SPONSORSHIP of LRB-0219/1 relating to: remittance transfers under the Uniform Commercial Code Article 4A, relating to funds transfers.

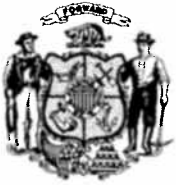
**Co-Sponsorship Memorandum**

**To:** All Legislators  
**From:** State Representative Joe Sanfelippo  
**Date:** March 19, 2013  
**RE:** CO-SPONSORSHIP of LRB-0219/1 **relating to:** remittance transfers under the Uniform Commercial Code Article 4A, relating to funds transfers.  
**Deadline: 5pm on Thursday, March 28, 2013.**

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This bill is aimed at fixing a loophole in the law governing fund transfers that was created with the passage of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

Financial institution remittance fund transfers are regulated by both the federal and state governments. While consumer fund transfers are generally regulated by the federal government through the Electronic Transfer Act



State of Wisconsin  
2013 - 2014 LEGISLATURE

in  
3/22



LRB-02104-1970/1

ARG:ld:je

Wanted  
3/25

RMNR

sac

2013 BILL

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1 AN ACT *to renumber and amend* 410.108; *to repeal and recreate* 410.108  
2 (title); and *to create* 410.108 (2) and (3) of the statutes; **relating to:** remittance  
3 transfers under the Uniform Commercial Code Article 4A, relating to funds  
4 transfers.

***Analysis by the Legislative Reference Bureau***

This state has adopted the Uniform Commercial Code (UCC) Article 4A, governing funds transfers, as chapter 410 of the Wisconsin Statutes. A “funds transfer” is defined as a series of transactions, beginning with the originator’s payment order, made for the purpose of making payment to the beneficiary of the order. A “payment order” is defined as an instruction of a sender to a bank to pay, or to cause another bank to pay, a specified amount of money to the beneficiary of the payment order. UCC Article 4A establishes comprehensive provisions to govern funds transfers, but these provisions do not apply to a funds transfer any part of which is governed by the federal Electronic Fund Transfer Act (EFTA).

The federal Dodd-Frank Wall Street Reform and Consumer Protection Act (P.L. 111-203), signed into law on July 21, 2010, included amendments to the EFTA that impact UCC Article 4A. Federal regulations implementing these changes become effective in February 2013. As a result of these changes, the Uniform Laws Committee of the National Conference of Commissioners on Uniform State Laws and the American Law Institute have approved an amendment to UCC Article 4A. This bill adopts this amendment.

**BILL**

Under the bill, provisions of UCC Article 4A, as adopted in this state in chapter 410 of the Wisconsin Statutes, apply to a funds transfer that is a remittance transfer as defined under the EFTA, unless the remittance transfer is an electronic fund transfer as defined under the EFTA. Under the EFTA, a "remittance transfer" means an electronic transfer of funds, requested by a consumer, to a recipient in a foreign country, made by the transfer provider in the normal course of its business, but does not include transfers of small value. Under the EFTA, "electronic fund transfer" means a transfer of funds initiated through an electronic terminal, telephonic instrument, or computer or magnetic tape that orders, instructs, or authorizes a financial institution to debit or credit an account. "Electronic fund transfer" includes point-of-sale transfers, automated teller machine transactions, direct deposits or withdrawals of funds, and transfers initiated by telephone, but does not include certain transactions such as transactions originated by check; Fedwire transfers; certain automatic transfers between a consumer's savings and checking accounts; and certain nonrecurring transfers initiated by a consumer by telephone. If the provisions of UCC Article 4A apply with respect to a funds transfer and there is an inconsistency between these provisions and the EFTA, the provision of the EFTA governs to the extent of the inconsistency.

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

1           SECTION 1. 410.108 (title) of the statutes is repealed and recreated to read:

2           **410.108 (title) Relationship to Electronic Fund Transfer Act.**

3           SECTION 2. 410.108 of the statutes is renumbered 410.108 (1) and amended to  
4 read:

5           410.108 (1) This Except as provided in sub. (2), this chapter does not apply to  
6 a funds transfer any part of which is governed by the electronic fund transfer act, 15  
7 USC 1693 to 1693r.

8           SECTION 3. 410.108 (2) and (3) of the statutes are created to read:

9           410.108 (2) This chapter applies to a funds transfer that is a remittance  
10 transfer, as defined in 15 USC 1693o-1, unless the remittance transfer is an  
11 electronic fund transfer, as defined in 15 USC 1693a.

