



State of Wisconsin  
2019 - 2020 LEGISLATURE

LRBa1338/1  
JK:cjs/ahe/klm

**SENATE AMENDMENT 1,  
TO SENATE BILL 756**

February 20, 2020 - Offered by Senator PETROWSKI.

1 At the locations indicated, amend the bill as follows:

2 **1.** Page 5, line 23: after that line insert:

3 **"SECTION 6m.** 73.03 (75) of the statutes is created to read:

4 73.03 (75) To submit a report to the Joint Committee on Finance no later than  
5 6 months after the end of each fiscal year, beginning with the 2019-20 fiscal year and  
6 ending with the 2023-24 fiscal year, that contains information on the use of contract  
7 auditors in the unclaimed property program under ch. 177, including auditor  
8 performance results and comments and concerns from those audited regarding the  
9 contract auditors. The department shall survey those audited by contract auditors  
10 to receive comments and concerns. Before allowing any person to engage in an audit  
11 of another person's documents or records, the administrator shall post the contract  
12 or other agreement with the person on the department's Internet site. The contract  
13 or other agreement shall remain posted on the department's Internet site until the

1 contract or other agreement is no longer in effect, is no longer valid, or is superseded  
2 or otherwise rescinded. The person may take no action to engage in the audit until  
3 the administrator certifies that the person will proceed, even if domiciled in another  
4 state, in accordance with Wisconsin statutes and department rules and guidance  
5 documents and the administrator concludes there is a reasonable justification for  
6 using the person to engage in the audit. The administrator shall actively monitor  
7 the person to ensure that the person, even if domiciled in another state, is acting in  
8 accordance with such statutes, rules, and guidance documents and shall  
9 immediately take corrective action, including rescinding the contract, if the  
10 administrator reasonably concludes the person is not acting in accordance with such  
11 statutes, rules, and guidance documents.”.

12 **2.** Page 15, line 6: delete “not”.

13 **3.** Page 17, line 15: after “association” insert “owed to an individual”.

14 **4.** Page 17, line 17: delete “maturity of the deposit” and substitute “earlier of  
15 maturity or the date of the last indication of interest in the property by the apparent  
16 owner”.

17 **5.** Page 19, line 5: delete the material beginning with that line and ending with  
18 page 20, line 21, and substitute:

19 **“177.0202 When tax-deferred retirement account presumed**  
20 **abandoned. (1)** Subject to s. 177.0210, property held in a pension account or  
21 retirement account that qualifies for federal income tax deferral under the U.S.  
22 income tax laws is presumed abandoned if it is unclaimed by the apparent owner 3  
23 years after the later of:

24 (a) The following dates:

1           1. The date on which a 2nd consecutive communication sent by the holder by  
2           1st class mail to the apparent owner is returned to the holder by the U.S. postal  
3           service as undeliverable.

4           2. If the 2nd communication is sent later than 30 days after the date on which  
5           the first communication is returned to the holder by the U.S. postal service as  
6           undeliverable, the date on which the first communication was returned as  
7           undeliverable.

8           (b) The earlier of the following dates:

9           1. The date on which the apparent owner reaches the required minimum  
10          distribution age, as specified under the Internal Revenue Code or by federal  
11          regulation, if that can be determined by the holder.

12          2. If distribution to avoid a tax penalty is required under the Internal Revenue  
13          Code, 2 years after the following:

14          a. The date on which the holder receives confirmation of the death of the  
15          apparent owner in the ordinary course of the holder's business.

16          b. The date on which the holder confirms the death of the apparent owner under  
17          sub. (2).

18          **(2)** If a holder in the ordinary course of its business receives notice or an  
19          indication of the death of an apparent owner and sub. (1) (b) applies, the holder shall  
20          attempt not later than 90 days after receipt of the notice or indication to confirm  
21          whether the apparent owner is deceased.

22          **(3)** If the holder does not send communications to the apparent owner of an  
23          account described in sub. (1) by 1st class mail, the holder shall attempt to confirm  
24          the apparent owner's interest in the property by sending the apparent owner e-mail  
25          not later than 2 years after the apparent owner's last indication of interest in the

1 property, except that the holder shall promptly attempt to contact the apparent  
2 owner by 1st class mail if any of the following applies:

3 (a) The holder does not have information needed to send the apparent owner  
4 e-mail or the holder believes that the apparent owner's e-mail address in the  
5 holder's records is not valid.

6 (b) The holder receives notification that the e-mail was not received.

7 (c) The apparent owner does not respond to the e-mail within 30 days from the  
8 date on which the e-mail was sent.

9 (4) If 1st class mail sent under sub. (3) is returned to the holder by the U.S.  
10 postal service as undeliverable, the property is presumed abandoned on the date  
11 determined under sub. (1).”.

12 **6.** Page 21, line 14: delete “earliest” and substitute “later”.

13 **7.** Page 21, line 15: delete “The date” and substitute “If the date on which the  
14 minor's custodian is required to transfer the property to the minor has passed, the  
15 date”.

16 **8.** Page 21, line 18: after “If” insert “the date on which the minor's custodian  
17 is required to transfer the property to the minor has passed and if”.

18 **9.** Page 22, line 14: delete the material beginning with “3” and ending with  
19 “returned” on line 15 and substitute “on the date determined under sub. (1)”.

20 **10.** Page 33, line 20: delete “IX” and substitute “XIV”.

21 **11.** Page 37, line 23: after that line insert:

22 “**SECTION 82b.** 177.0503 (1b) of the statutes is created to read:

23 177.0503 (1b) A notice under sub. (1) shall contain all of the following:

1 (a) The names in alphabetical order and the last-known addresses, if any, of  
2 persons listed in the report and entitled to notice within the county, as specified in  
3 sub. (1).

4 (b) A statement that information concerning the property and the name and  
5 last-known address of the holder may be obtained by any person possessing an  
6 interest in the property by addressing an inquiry to the administrator.

7 **SECTION 82d.** 177.0503 (1d) of the statutes is created to read:

8 177.0503 (1d) The administrator is not required to publish notice of any item  
9 with a value of less than \$50 unless the administrator determines the publication to  
10 be in the public interest.”.

11 **12.** Page 50, line 17: delete lines 17 to 21.

12 **13.** Page 54, line 15: delete “177.0702” and substitute “177.0503”.

13 **14.** Page 57, line 6: delete lines 6 to 12.

14 **15.** Page 57, line 22: delete the material beginning with “177.1002” and  
15 ending with “person” on line 25 and substitute “177.1002, petition a court to  
16 determine the liability of such holder based on the court’s findings as to a reasonable  
17 estimate of the amount due”.

18 **16.** Page 61, line 25: delete “delivery” and substitute “deliver”.

19 **17.** Page 65, line 14: delete “reasonable” and substitute “reasonably”.

20 **18.** Page 66, line 14: delete lines 14 and 15 and substitute:

21 “(a) Reports and records of a claimant that are in the possession of the  
22 administrator or the administrator’s agent.”.

23 **19.** Page 70, line 25: delete “12th” and substitute “15th”.

1           **20.** Page 71, line 5: after “extension.” insert “The administrator shall make  
2 efforts to provide information to interested parties regarding the voluntary  
3 disclosure period provided under this subsection.”.

4           **21.** Page 74, line 14: delete “177.0803” and substitute “177.0801”.

5           **22.** Page 74, line 19: delete “177.0803” and substitute “177.0801”.

6           **23.** Page 75, line 21: delete the material beginning with that line and ending  
7 with page 76, line 2, and substitute:

8           “177.1002 (2) If an examination of the records of a person results in the  
9 disclosure discovery of property reportable and deliverable under this chapter, the  
10 administrator ~~may assess the cost of the examination against the holder at the rate~~  
11 ~~of \$150 a day for each examiner, but the charges may not exceed the value of the~~  
12 ~~property found to be reportable and deliverable. The cost of examination under sub-~~  
13 ~~(3) may be imposed only against the business association~~ person shall file a report  
14 and deliver the property to the administrator. If the property is not reported and  
15 delivered, the administrator shall assess the person for the value of the property.”.

16           **24.** Page 76, line 3: delete that line and substitute:

17           “**SECTION 173d.** 177.30 (5) of the statutes is renumbered 177.1004 and  
18 amended to read:

19           **177.1004 Failure of person to maintain records.** If a holder, ~~after~~  
20 ~~December 31, 1984,~~ fails to maintain the records required under s. ~~177.31~~ 177.0404,  
21 and the records of the holder available for the periods subject to this chapter are  
22 insufficient to permit the preparation of a report, a court may determine the liability  
23 of such holder based on the court’s findings as to a reasonable estimate of the amount  
24 due.”.

