

**2019 DRAFTING REQUEST**

**Senate Amendment (SA-SB756)**

For: **Jerry Petrowski (608) 266-2502** Drafter: **jkreye**  
 By: **jason** Secondary Drafters:  
 Date: **2/19/2020** May Contact:

Same as LRB:

Submit via email: **YES**  
 Requester's email: **Sen.Petrowski@legis.wisconsin.gov**  
 Carbon copy (CC) to: **joseph.kreye@legis.wisconsin.gov**  
**jason.rostan@legis.wisconsin.gov**

**Pre Topic:**

No specific pre topic given

**Topic:**

Revised uniform unclaimed property act; DOR changes

**Instructions:**

See attached

**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	jkreye 2/19/2020	aernstr 2/19/2020			
/1			lparisi 2/19/2020	lparisi 2/19/2020	

FE Sent For: **<END>**

## Kreye, Joseph

---

**From:** Rostan, Jason  
**Sent:** Wednesday, February 19, 2020 11:00 AM  
**To:** Kreye, Joseph  
**Subject:** RE: AB 752 - LRB 1027

Also, would you be able to combine the three amendments for AB 752 into one amendment for SB 756.

**From:** Kreye, Joseph <Joseph.Kreye@legis.wisconsin.gov>  
**Sent:** Tuesday, February 18, 2020 5:06 PM  
**To:** Rostan, Jason <Jason.Rostan@legis.wisconsin.gov>  
**Subject:** RE: AB 752 - LRB 1027

You're welcome.

**From:** Rostan, Jason <Jason.Rostan@legis.wisconsin.gov>  
**Sent:** Tuesday, February 18, 2020 5:05 PM  
**To:** Kreye, Joseph <Joseph.Kreye@legis.wisconsin.gov>  
**Subject:** RE: AB 752 - LRB 1027

Thanks for the extra work on this one.

**From:** Kreye, Joseph <Joseph.Kreye@legis.wisconsin.gov>  
**Sent:** Tuesday, February 18, 2020 4:59 PM  
**To:** Rostan, Jason <Jason.Rostan@legis.wisconsin.gov>  
**Subject:** RE: AB 752 - LRB 1027

Thanks Jason

**Joseph T. Kreye**  
Legal Services Manager  
Legislative Reference Bureau  
608 504-5857

**From:** Rostan, Jason <Jason.Rostan@legis.wisconsin.gov>  
**Sent:** Tuesday, February 18, 2020 4:53 PM  
**To:** Kreye, Joseph <Joseph.Kreye@legis.wisconsin.gov>  
**Subject:** AB 752 - LRB 1027

Final Changes (hopefully):

Replace:

The department shall also monitor contract auditors to ensure that they are acting ethically and responsibly

New language:

"Before allowing any person to engage in an audit of another person's documents or records, the administrator shall post the contract or other agreement with the person on the agency's Internet site. The contract or other agreement

shall remain posted on the agency's Internet site until the contract or other agreement is no longer in effect, is no longer valid, or is superseded or otherwise rescinded. The person may take no action to engage in the audit until the administrator certifies the person will proceed, even if domiciled in another state, in accordance with Wisconsin statutes, agency rules, and agency guidance documents and the administrator concludes there is a reasonable justification for the use of the person to engage in the audit. The administrator shall actively monitor the person to ensure the person, even if domiciled in another state, is acting in accordance with Wisconsin statutes, agency rules, and agency guidance documents and shall immediately take corrective action, including rescinding the contract, when the administrator reasonably concludes the person is not acting in accordance with Wisconsin statutes, agency rules, and agency guidance documents."

Replace:

The department shall periodically survey persons audited under ch. 177 regarding their interactions with contract auditors.

New language:

"The agency shall survey those audited by contract auditors to receive comments and concerns."



State of Wisconsin  
2019 - 2020 LEGISLATURE

4-1338

LRBa0982/1

JK:cjs Kabe/  
klm

*Senate*  
ASSEMBLY AMENDMENT 1,  
TO ASSEMBLY BILL (752) *756*  
*Senate*

NOT FOR FLOOR

*Today*

January 28, 2020 - Offered by Representative AUGUST.

*6*

*Insert 1-1*  
*Insert 1-2*

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13

At the locations indicated, amend the bill as follows:

- 1. Page 15, line 6: delete "not".
- 2. Page 17, line 17: delete "maturity of the deposit" and substitute "earlier of maturity or the date of the last indication of interest in the property by the apparent owner".
- 3. Page 19, line 5: delete the material beginning with that line and ending with page 20, line 21, and substitute:  

**"177.0202 When tax-deferred retirement account presumed abandoned. (1) Subject to s. 177.0210, property held in a pension account or retirement account that qualifies for federal income tax deferral under the U.S. income tax laws is presumed abandoned if it is unclaimed by the apparent owner 3**

years after: *the later of*

(a) The *later of* the following: *later*

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:

9           1. The date on which the apparent owner reaches the *later* minimum distribution  
10 age, as specified under the Internal Revenue Code or by federal regulation, if that  
11 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 4. Page 21, line 14: delete "earliest" and substitute "later".

13 5. 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 6. 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 7. 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 8. Page 33, line 20: delete "IX" and substitute "XIV".

21 9. 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 **10.** Page 50, line 17: delete lines 17 to 21.

*insert  
4-12*

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

13 **12.** Page 61, line 25: delete “delivery” and substitute “deliver”.

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

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

*insert  
4-17*

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

18 **15.** Page 74, line 14: delete “177.0803” and substitute “177.0801”.

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

20  
*insert  
4-19*

(END)



State of Wisconsin  
2019 - 2020 LEGISLATURE

LRBa1027/1  
JK:ahe/cjs/klm

ASSEMBLY AMENDMENT ,  
TO ASSEMBLY BILL 752

*inserts*

*insert  
(-)*

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." *end of (1-1)*

12 **2.** Page 17, line 15: after "association" insert "owed to an individual". *insert 1-2*

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

14 **4.** Page 57, line 22: delete the material beginning with "177.1002" and ending  
 15 with "person" on line 25 and substitute "177.1002, petition a court to determine the  
 16 liability of such holder based on the court's findings as to a reasonable estimate of  
 17 the amount due". *insert 4-12*

18 **5.** Page 70, line 25: delete "12th" and substitute "15th". *insert 4-17*

19 **6.** Page 71, line 5: after "extension." insert "The administrator shall make  
 20 efforts to provide information to interested parties regarding the voluntary  
 21 disclosure period provided under this subsection." *insert 4-19*

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

1           “177.1002 (2) If an examination of the records of a person results in the  
2 disclosure discovery of property reportable and deliverable under this chapter, the  
3 administrator may assess the cost of the examination against the holder at the rate  
4 of \$150 a day for each examiner, but the charges may not exceed the value of the  
5 property found to be reportable and deliverable. The cost of examination under sub-  
6 (3) may be imposed only against the business association person shall file a report  
7 and deliver the property to the administrator. If the property is not reported and  
8 delivered, the administrator shall assess the person for the value of the property.”.

9           **8.** Page 76, line 3: delete that line and substitute:

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

12           **177.1004 Failure of person to maintain records.** If a holder, after  
13 December 31, 1984, fails to maintain the records required under s. ~~177.31~~ 177.0404,  
14 and the records of the holder available for the periods subject to this chapter are  
15 insufficient to permit the preparation of a report, a court may determine the liability  
16 of such holder based on the court’s findings as to a reasonable estimate of the amount  
17 due.”.

18           **9.** Page 76, line 19: delete lines 19 to 25 and substitute:

19           “**SECTION 175d.** 177.30 (7) of the statutes is renumbered 177.1005 (4).”.