



State of Wisconsin
2019 - 2020 LEGISLATURE

LRB-1713/1
MLJ:ah&kjf

2019 ASSEMBLY BILL 350

July 31, 2019 - Introduced by Representatives HUTTON, BALLWEG, BRANDTJEN, BORN, DUCHOW, GUNDRUM, JAGLER, JAMES, KATSMAN, KNODL, KUGLITSCH, KULP, LOUDENBECK, MURSAU, OHNSTAD, OTT, PLUMER, QUINN, SANFELIPPO, SKOWRONSKI, STEFFEN, TUSLER and WICHGERS, cosponsored by Senators FITZGERALD, FEYEN, JACQUE, MARKLEIN, NASS and OLSEN. Referred to Committee on Criminal Justice and Public Safety.

1 **AN ACT** *to amend* 946.79 (1) (f) (intro.) and 946.79 (1) (f) 1.; and *to create*
2 943.895, 946.79 (1) (f) 4. and 946.79 (1) (f) 5. of the statutes; **relating to:** money
3 laundering and providing a penalty.

Analysis by the Legislative Reference Bureau

Under current law, there is no state criminal prohibition for actions that constitute money laundering. Under this bill, it is a crime to engage in, supervise, or facilitate a transaction with illegally obtained property or items of value; to make property or items of value available to another with the intent to perpetuate illegal activity; or to engage in a transaction that is designed to conceal or disguise the nature, location, source, ownership, or control of the resources or to avoid a financial transaction reporting requirement under federal law. The penalty level depends on the monetary value involved in the money laundering scheme and ranges from a Class A misdemeanor for transactions of \$2,500 or under to a Class F felony for transactions over \$100,000. Under the bill, a financial institution that has complied with all federal money laundering reporting requirements is not criminally liable.

Because this bill creates a new crime or revises a penalty for an existing crime, the Joint Review Committee on Criminal Penalties may be requested to prepare a report.

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

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1 **SECTION 1.** 943.895 of the statutes is created to read:

2 **943.895 Money laundering. (1) DEFINITIONS.** In this section:

3 (a) "Proceeds" means property or anything of value acquired or derived directly
4 or indirectly from, produced through, realized through, or caused by an act or
5 omission.

6 (b) "Transaction" has the meaning given in s. 946.79 (1) (f).

7 **(2) PROHIBITED CONDUCT.** (a) Whoever does any of the following may be
8 penalized as provided in sub. (3):

9 1. Knowingly receives or acquires proceeds that the person knows are derived
10 from unlawful activity or conducts a transaction involving proceeds that the person
11 knows are derived from unlawful activity.

12 2. Knowingly directs, plans, organizes, initiates, finances, manages,
13 supervises, or facilitates the transportation or transfer of proceeds that the person
14 knows are derived from unlawful activity.

15 3. Knowingly gives, sells, transfers, trades, invests, conceals, transports, or
16 otherwise makes available proceeds that the person knows are intended to be used
17 for the purpose of committing or furthering the commission of unlawful activity.

18 4. Knowingly conducts a transaction that involves proceeds that the person
19 knows are derived from unlawful activity that is designed in whole or in part to do
20 one of the following:

21 a. Conceal or disguise the nature, location, source, ownership, or control of the
22 proceeds obtained through unlawful activity.

23 b. Avoid a transaction reporting requirement under federal law.

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1 (b) For the purposes of par. (a), knowledge that the proceeds are derived from
2 unlawful activity does not require knowledge of the specific nature of the unlawful
3 activity involved.

4 (c) In any case involving more than one violation of par. (a), all such violations
5 may be prosecuted as a single crime if the violations were pursuant to a single intent
6 and design.

7 **(3) PENALTIES.** A person who violates sub. (2) (a) is guilty of the following:

8 (a) If the total value of the proceeds involved in the transaction does not exceed
9 \$2,500, a Class A misdemeanor.

10 (b) If the total value of the proceeds involved in the transaction exceeds \$2,500
11 but does not exceed \$5,000, a Class I felony.

12 (c) If the total value of the proceeds involved in the transaction exceeds \$5,000
13 but does not exceed \$10,000, a Class H felony.

14 (d) If the total value of the proceeds involved in the transaction exceeds \$10,000
15 but does not exceed \$100,000, a Class G felony.

16 (e) If the total value of the proceeds involved in the transaction exceeds
17 \$100,000, a Class F felony.

18 **(4) FINANCIAL INSTITUTIONS.** A financial institution that has complied with all
19 applicable money laundering reporting requirements under federal law is not
20 criminally liable under this section.

21 **SECTION 2.** 946.79 (1) (f) (intro.) of the statutes is amended to read:

22 946.79 (1) (f) (intro.) “Transaction” means the acquisition or disposition, or
23 transfer of property or anything of value by any means, including any of the
24 following:

25 **SECTION 3.** 946.79 (1) (f) 1. of the statutes is amended to read:

ASSEMBLY BILL 350**SECTION 3**

1 946.79 (1) (f) 1. The purchase, sale, trade, transfer, transmission, exchange,
2 loan, pledge, investment, delivery, deposit, or withdrawal of a monetary instrument,
3 credit card, gift card, gift certificate, financial transaction card, or similar monetary
4 device.

5 **SECTION 4.** 946.79 (1) (f) 4. of the statutes is created to read:

6 946.79 (1) (f) 4. The transfer of property or anything of value between accounts.

7 **SECTION 5.** 946.79 (1) (f) 5. of the statutes is created to read:

8 946.79 (1) (f) 5. The movement of funds by wire transfer or any other electronic
9 means.

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(END)