



1999 ASSEMBLY BILL 847

March 7, 2000 - Introduced by Representatives GRONEMUS, FREESE, PETROWSKI, RYBA, SERATTI, PLOUFF, OTT, SYKORA, PETTIS, ALBERS, GOETSCH and PORTER, cosponsored by Senators GEORGE and SCHULTZ. Referred to Committee on Consumer Affairs.

1 **AN ACT to create** 100.185 of the statutes; **relating to:** documentation of
2 agricultural credit transactions and granting rule-making authority.

Analysis by the Legislative Reference Bureau

With certain exceptions, the Wisconsin Consumer Act (consumer act) currently requires a person who extends credit to a consumer to give the consumer, before any payment is due, a copy of each document evidencing the consumer's obligation under the transaction. With limited exceptions, a transaction that is entered into primarily for an agricultural purpose (agricultural credit transaction) is exempt from the requirements of the consumer act.

This bill requires every document that is signed by a person and that evidences the person's obligation to pay under an agricultural credit transaction to be executed in duplicate original copies. The bill also requires the person that extends the agricultural credit to provide one of the duplicate original copies to the person that obtains the credit.

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

3 **SECTION 1.** 100.185 of the statutes is created to read:
4 **100.185 Documentation of agricultural credit transactions. (1)**
5 **DEFINITIONS.** In this section: (a) "Credit transaction" means a transaction under

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1 which real or personal property, services or money is acquired by a person, on credit,
2 and under which the person is required to pay a charge for the credit or is required
3 to pay his or her obligation in instalments.

4 (b) “Agricultural purpose” means a purpose related to the production, harvest,
5 exhibition, marketing, transportation, processing or manufacture of farm products
6 by a person that cultivates, plants, propagates or nurtures those farm products.

7 (c) “Credit” means the right to defer payment of debt, to incur debt and defer
8 its payment or to purchase goods, services or interests in land on a time price basis.

9 (d) “Farm creditor” means a person that extends credit to another person that
10 obtains the credit primarily for an agricultural purpose.

11 (e) “Farm product” means an agricultural, horticultural, viticultural, dairy or
12 forest product; livestock; wildlife; poultry; bees; fish; shellfish; a product raised or
13 produced on a farm; and any processed or manufactured product that is derived from
14 any of these items.

15 **(2) DOCUMENTATION REQUIRED.** A farm creditor shall ensure that each document
16 that is signed by a person and that evidences the person’s obligation to pay under a
17 credit transaction that the person enters into primarily for an agricultural purpose
18 is executed in duplicate original copies. Except as provided under sub. (3), the
19 duplicate original copies shall consist of a signed copy and an identical carbon copy
20 containing the carbon impression of all signatures on the signed copy. The farm
21 creditor shall provide the person that receives the credit with one of the duplicate
22 original copies.

23 **(3) RULES.** The department may, by rule, authorize the production of duplicate
24 original copies as required under sub. (2) by any method that is at least as effective
25 at preventing fraud as the method specified under sub. (2).

