



## 2003 ASSEMBLY BILL 184

March 21, 2003 - Introduced by Representatives GRONEMUS, McCORMICK, KRAWCZYK, PLOUFF, TURNER, OTT, J. LEHMAN, VAN ROY, AINSWORTH, ALBERS, BIES, JESKEWITZ, SERATTI, PETROWSKI, LOEFFELHOLZ and MUSSER, cosponsored by Senator BROWN. Referred to Committee on Financial Institutions.

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

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### *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 in an amount of \$20,000 or more 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.

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*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:

**ASSEMBLY BILL 184****SECTION 1**

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

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

6 (c) “Credit transaction” means a transaction under which real or personal  
7 property, services, or money is acquired by a person, on credit, and under which the  
8 person is required to pay a charge for the credit or is required to pay his or her  
9 obligation in installments.

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

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

16 **(2) DOCUMENTATION REQUIRED.** A farm creditor shall ensure that each document  
17 that is signed by a person and that evidences the person’s obligation to pay under a  
18 credit transaction in an amount of \$20,000 or more that the person enters into  
19 primarily for an agricultural purpose is executed in duplicate original copies. The  
20 duplicate original copies shall consist of a signed copy and an identical copy  
21 containing the impression of all signatures on the signed copy. Except as provided  
22 under sub. (3), the identical copy shall be a noncarbon reproduction of the signed  
23 copy, produced by the transfer of images in substantially the same manner as is used  
24 to make a carbon copy, or shall be a carbon copy. The farm creditor shall provide the  
25 person that receives the credit with one of the duplicate original copies.

