

State of Misconsin 2021 - 2022 LEGISLATURE

LRB-1068/1 ZDW&KRP:ekg&wlj

2021 ASSEMBLY BILL 441

July 12, 2021 - Introduced by Representatives L. Myers, Vruwink, Baldeh, Cabrera, Sinicki, Hesselbein, Subeck, Snodgrass and Drake, cosponsored by Senator L. Taylor. Referred to Committee on Housing and Real Estate.

AUTHORS SUBJECT TO CHANGE

| 1 | AN ACT to repeal 101.983 (3); to amend 101.983 (2) (c), 101.983 (4) (c), 706.05 |
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| 2 | $(12),\ 846.16\ (2m)\ (c),\ 846.16\ (3m)\ (am)\ and\ 846.16\ (3m)\ (bm);\ and\ \textit{to\ create}$ |
| 3 | $77.22\ (2)\ (bm),\ 101.19\ (1g)\ (m),\ 101.987\ and\ 709.03\ (form)\ B9m.\ of\ the\ statutes;$ |
| 4 | relating to: inspections of and disclosures regarding residential dumbwaiters |
| 5 | and elevators in real estate transactions and providing a penalty. |

Analysis by the Legislative Reference Bureau

This bill requires that, in connection with certain real estate transactions, the owner of an individual residential dwelling unit that is served by a dumbwaiter or elevator (residential elevator) must have the residential elevator inspected and provide certain disclosures regarding the residential elevator to the transferee.

The bill requires the Department of Safety and Professional Services to develop a pamphlet for owners of residential elevators that describes maximum clearance and distance requirements measured from the hoistway face of landing doors or gates and the dangers associated with residential elevators that do not comply with those requirements.

Under the bill, no later than ten days after accepting an agreement to transfer a dwelling unit with a residential elevator, the owner of the dwelling unit must disclose to the prospective transferee the existence of the residential elevator and provide a copy of the DSPS residential elevator pamphlet. Prior to transferring the dwelling unit, the owner of the dwelling unit must have the residential elevator inspected by a licensed elevator inspector, who must prepare an inspection report

and issue a certificate stating the date on which the inspection is completed. The owner of the dwelling unit must provide the transferee a copy of the inspection report prior to transferring the dwelling unit.

Under the bill, a register of deeds may not accept for recording any deed or other document of transfer of an individual residential dwelling unit that is served by a residential elevator unless the deed or document is accompanied by the required certificate.

The bill provides that, if a licensed elevator inspector falsifies a certificate, DSPS must revoke the inspector's license, and the inspector may be required to forfeit not more than \$500 for each false certificate. Under the bill, if a person, with intent to evade inspection and certification requirements, falsely states on a real estate transfer return form that real property being transferred does not include an individual residential dwelling unit that is served by a residential elevator, the person may be required to forfeit not more than \$500 per dwelling unit being transferred.

For further information see the state and local fiscal estimate, which will be printed as an appendix to this bill.

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

Section 1. 77.22 (2) (bm) of the statutes is created to read: 1 2 77.22 (2) (bm) Whether the real estate transferred is subject to certification 3 under s. 101.987 (3) (c). **Section 2.** 101.19 (1g) (m) of the statutes is created to read: 4 Inspecting, preparing inspection reports, and issuing 5 101.19 **(1g)** (m) certificates for residential elevators under s. 101.987 (4). 6 7 **Section 3.** 101.983 (2) (c) of the statutes is amended to read: 8 101.983 (2) (c) Inspections. The department may not issue or renew a permit 9 for a conveyance under this subsection unless the department or an independent 10 inspector has conducted an inspection of the conveyance and has prepared an 11 inspection report certifying that the conveyance complies with this subchapter and 12 any applicable rules promulgated under this subchapter. Any inspection under this

| 1 | subsection or sub. (3) shall be performed by an inspector who is licensed under s. |
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| 2 | 101.985 (3). |
| 3 | Section 4. 101.983 (3) of the statutes is repealed. |
| 4 | Section 5. 101.983 (4) (c) of the statutes is amended to read: |
| 5 | 101.983 (4) (c) Conduct inspections and prepare inspection reports as provided |
| 6 | under sub. (2) (c) and sub. (3) s. 101.987 (3) (c). |
| 7 | Section 6. 101.987 of the statutes is created to read: |
| 8 | 101.987 Residential elevators. (1) Definitions. In this section: |
| 9 | (a) "Residential elevator" means an elevator or dumbwaiter that serves an |
| 10 | individual residential dwelling unit and that is exempt under s. $101.983\ (2)\ (e)$ from |
| 11 | the requirements under s. 101.983 (2). |
| 12 | (b) "Transfer" means to convey an ownership interest in a dwelling unit by |
| 13 | deed, land contract, or judgment or to convey an interest in a lease for a term in excess |
| 14 | of one year. "Transfer" does not include conveying an interest in a dwelling unit |
| 15 | under chs. 851 to 879 or by nonprobate transfer on death under s. 705.15. |
| 16 | (2) PUBLIC EDUCATION. The department shall develop a pamphlet for owners of |
| 17 | residential elevators that describes maximum clearance and distance requirements |
| 18 | measured from the hoistway face of landing doors or gates and the dangers |
| 19 | associated with residential elevators that do not comply with those requirements. |
| 20 | (3) Transfer restrictions. The owner of an individual residential dwelling |
| 21 | unit that is served by a residential elevator may not transfer the dwelling unit unless |
| 22 | all of the following apply: |
| 23 | (a) The owner, not later than 10 days after the acceptance by the owner of an |
| 24 | agreement, if any, to transfer the dwelling unit, discloses to the prospective |
| 25 | transferee the existence of the residential elevator. |

- (b) The owner, not later than 10 days after the acceptance by the owner of an agreement, if any, to transfer the dwelling unit, provides to the prospective transferee a copy of the pamphlet developed by the department under sub. (2).
- (c) An elevator inspector licensed under s. 101.985 (3) inspects all residential elevators that serve the dwelling unit, prepares an inspection report for each residential elevator, and issues a certificate, on a form prescribed by the department, stating all of the following:
 - 1. The number of residential elevators that serve the dwelling unit.
- 2. A statement that all residential elevators that serve the dwelling unit were inspected.
 - 3. The date on which the inspections were completed.
- (d) The owner provides a copy of any inspection reports prepared under par. (c) to the transferee.
- (4) Inspection by department. If the owner of an individual residential dwelling unit that is served by a residential elevator, after reasonable effort, is unable to procure an inspection required under sub. (3) (c), the owner may request that the department complete the inspection. Within 14 days after the department receives the request, the department shall perform the inspection, prepare the inspection report, and issue the certificate under sub. (3) (c). The department shall establish a special fee under s. 101.19 (1g) for inspections the department performs under this subsection.
- (5) CERTIFICATE REQUIRED FOR RECORDING. A register of deeds may not accept for recording any deed or other document of transfer of an individual residential dwelling unit that is served by a residential elevator unless the deed or document is

| 1 | accompanied by the certificate required under sub. (3) (c). The register of deeds shall |
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| 2 | record the certificate. |
| 3 | (6) PENALTIES. (a) Elevator inspectors. If an individual licensed as an elevator |
| 4 | inspector under s. 101.985 (3) falsifies a certificate issued under sub. (3) (c), the |
| 5 | department shall revoke the individual's license, and the individual may be required |
| 6 | to forfeit not more than \$500 for each false certificate. |
| 7 | (b) Property owners. If a person, with intent to evade the requirements under |
| 8 | subs. (3) and (5), falsely states on a form under s. 77.22 (1) that real property being |
| 9 | transferred does not include an individual residential dwelling unit that is served by |
| 10 | a residential elevator, the person may be required to forfeit not more than \$500 per |
| 11 | dwelling unit being transferred. |
| 12 | SECTION 7. 706.05 (12) of the statutes is amended to read: |
| 13 | 706.05 (12) Every conveyance of any interest in real property offered for |
| 14 | recordation shall be accompanied by the form under s. 77.22 (2). If the real property |
| 15 | is subject to certification under s. 101.987 (3) (c), the documents of conveyance offered |
| 16 | for recordation shall have appended the certificate required under s. 101.987 (3) (c). |
| 17 | Section 8. 709.03 (form) B9m. of the statutes is created to read: |
| 18 | 709.03 (form) |
| | B9m. Are you aware that an elevator or dumbwaiter |
| | is located on the property? (If "yes," the |
| | owner, by law, may have to have the elevator |
| | or dumbwaiter inspected before transfer. For |
| | more information, contact the Department of |
| 10 | Safety and Professional Services.) |
| 19 | SECTION 9. 846.16 (2m) (c) of the statutes is amended to read: |

846.16 (2m) (c) Delivery of real estate transfer return receipt. No later than 10 days after the court confirms the sale, the judgment creditor shall provide to the court the receipt for submitting a transfer return under s. 77.22 and any certificate required under s. 101.987 (3) (c).

Section 10. 846.16 (3m) (am) of the statutes is amended to read:

846.16 (3m) (am) Deliver the deed to the mortgaged premises received under sub. (1r) (b) 2. a., the receipt for submitting a transfer return under s. 77.22, any certificate required under s. 101.987 (3) (c), the amount due under s. 59.43 (2) to record the deed and any other document required to record the deed, and the transfer fee, if any, to the register of deeds.

Section 11. 846.16 (3m) (bm) of the statutes is amended to read:

846.16 (3m) (bm) Notify the register of deeds that the deed to the mortgaged premises received under sub. (1r) (b) 2. a., the receipt for submitting a transfer return under s. 77.22, any certificate required under s. 101.987 (3) (c), the amount due under s. 59.43 (2) to record the deed and any other document required to record the deed, and the transfer fee, if any, are available in the clerk's office. If a register of deeds is notified under this paragraph, the register of deeds shall retrieve the documents and fees from the clerk of courts within a reasonable period of time.

Section 12. Nonstatutory provisions.

(1) Real estate condition report. Notwithstanding s. 709.035, the treatment of s. 709.03 (form) B9m. does not require a property owner that has furnished to a prospective buyer of the property an original or amended report before the effective date of this subsection to submit an amended report with respect to the information required by s. 709.03 (form) B9m.

SECTION 13. Initial applicability.

| (1) Real estate transfer return form. The treatment of s. 77.22 (2) (bm) first |
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| applies to a real estate transfer return form submitted for recording on the effective |
| date of this subsection. |
| (2) Transfer restrictions; disclosures. The treatment of s. 101.987 (3) (a) and |
| (b) first applies to an agreement to transfer a dwelling unit that is accepted on the |
| effective date of this subsection. |
| (3) Transfer restrictions; certification of inspection. The treatment of s |
| 101.987 (3) (c) and (d) first applies to a transfer of a dwelling unit that occurs on the |
| effective date of this subsection. |
| (4) Requisites for recording conveyance. The treatment of ss. 101.987 (5) and |
| 706.05 (12) first applies to a deed, conveyance, as defined in s. 706.01 (4), or other |
| document of transfer submitted for recording on the effective date of this subsection |
| (5) Confirmation of foreclosure sale and transmittal of deed. The |
| treatment of s. 846.16 (2m) (c) and (3m) (am) and (bm) first applies to a sale made |
| by a sheriff or referee that is confirmed on the effective date of this subsection. |
| (6) Real estate condition report. The treatment of s. 709.03 (form) B9m. first |
| applies to a report that is furnished on the effective date of this subsection. |
| SECTION 14. Effective dates. This act takes effect on the first day of the 7th |
| month beginning after publication, except as follows: |
| (1) The treatment of ss. 101.19 (1g) (m) and 101.987 (1) and (2) takes effect or |
| the day after publication |

(END)