

Fiscal Analysis

Notification of Filing Financing Statements



Bill/Sponsor **HOUSE BILL 5148 AS INTRODUCED, REP. SHACKLETON**
House Committee Government Operations

Analysis

Summary

House Bill 5148 would amend the Uniform Commercial Code to require the Secretary of State to provide written notification of the filing of financing statements to each debtor named in the financing statements.

Also, the bill would prohibit a person from knowingly or intentionally filing a false or fraudulent financing statement. Violation would constitute a misdemeanor, punishable by imprisonment for not more than 93 days and/or a fine of not more than \$500, in addition to any other penalty provided by law. In the event of a violation, the court would be authorized to find the financing statement ineffective and to order the Secretary of State to terminate the financing statement.

Fiscal Impact

House Bill 5148 would not have a fiscal impact on the Department of State. Due to administrative efficiencies - the elimination of some of the filing and search fees and increases in the amounts of other filing and search fees - it is anticipated that the bill would be revenue neutral to the Department of State.

The bill would have an indeterminate impact on local units of government. Correctional costs could increase, depending on the number of convictions. Any increase in the collection of penal fine revenues would go to local libraries, which are the constitutionally-dedicated recipients of such revenues.

Analyst(s)

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