Fiscal Note & Local Impact Statement

122 nd General Assembly of Ohio

BILL:	**Am. Sub. H.B. 170**	DATE:	**July 24, 1997**
STATUS:	**As Passed by the Senate**	SPONSOR:	**Rep. Womer Benjamin**

LOCAL IMPACT STATEMENT REQUIRED: **No — No local cost**

CONTENTS: **Revises the Uniform Commercial Code**

State Fiscal Highlights

- No direct fiscal effect on the state.

Local Fiscal Highlights

- No direct fiscal effect on political subdivisions.

Detailed Fiscal Analysis

The Uniform Commercial Code (UCC) is a uniform law drafted by the National Conference of Commissioners on Uniform State Laws (NCCUL). The NCCUL was established in the 1890's by several states due to the increasing level of state interdependence, especially with regards to economic transactions. Today, all 50 states plus Washington, D.C., Puerto Rico and the U.S. Virgin Islands belong to the Conference. It is the responsibility of this conference to study and review states laws that should be uniform. The UCC was one by-product.

In 1952, the first version of the UCC was produced. In a process of continuous updating, one of several versions of the UCC has been adopted, at least in part, by every state. However, not every state has adopted the most recent version. This bill would essentially make changes in Ohio's law pertaining to Article 8 of the UCC to make it correspond with the most recent UCC version.

Article 8 of the UCC deals with the rights and duties of the issuers and parties in investment securities, both certificated and uncertificated. It also sets forth the rules relative to the transfer of the rights that constitute securities and the establishment of those rights against the issuer and other parties.

❑ *Rick Graycarek, Budget/Policy Analyst*

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