
Detailed Fiscal Analysis

The Uniform Commercial Code (UCC) is a uniform law drafted by the National Conference of Commissioners on Uniform State Laws (known hereafter as the "Conference"). The Conference 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 and 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 state laws to determine which laws 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 5, letters of credit, of the UCC to make it correspond with the most recent UCC version.

As of April 14, 1997, fourteen states and the District of Columbia have adopted Revised Article V of the Uniform Commercial Code. The states are Arizona, California, Colorado, Connecticut, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Mississippi, Nebraska, Oklahoma and West Virginia. Several states, in addition to Ohio, have also introduced legislation regarding this subject. The thirteen states that have introduced legislation to adopt Article V of the UCC are Alabama, Arkansas, Maine, Maryland, Massachusetts, Minnesota, Montana, New Mexico, North Dakota, Oregon, Vermont, Virginia and Wyoming.

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