



Ohio Legislative Service Commission

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Fiscal Note & Local Impact Statement

Bill: [Am. H.B. 9 of the 129th G.A.](#) **Date:** March 21, 2011

Status: As Reported by Senate Judiciary Civil Justice **Sponsor:**

Local Impact Statement Procedure Required: No

Contents: Makes revisions to Uniform Commercial Code statutes

State Fiscal Highlights

- No direct fiscal effect on the state.

Local Fiscal Highlights

- No direct fiscal effect on political subdivisions.

Detailed Fiscal Analysis

Overview

The bill makes numerous revisions to the Uniform Commercial Code that were recommended by the National Conference of Commissioners on Uniform State Laws. These changes pertain to a wide variety of business transactions governed by requirements in the Uniform Commercial Code. Thirty-five other states have adopted these recommendations in some form. The LSC bill analysis provides a detailed explanation of these changes. Overall, the changes do not appear to directly affect revenues or expenditures of the state or its political subdivisions.

Corporate filings with the Secretary of State

The Business Services Division within the Secretary of State's Office is responsible for collecting and maintaining Uniform and Commercial Code (UCC) filings for Ohio businesses. The Division consists of 150 employees and handles approximately 400,000 UCC filings each year. The Division is funded through UCC filings fees deposited into the Corporate and Uniform Commercial Code Filing Fund (Fund 5990), which collects approximately \$14.0 million in filing fee revenue each fiscal year. Overall the provisions of the bill would not appear to affect the number of overall filings made in a year. However, should the bill result in additional filings, any additional costs would be offset by additional filing fees.

County courts

The bill gives a warehouse operator a lien on the goods covered by a storage agreement and a carrier a lien on the proceeds of the goods in its possession. The bill also makes a warehouse operator's lien on household goods enforceable against additional persons than is permissible under current law. As a result, there could be some additional court filings to enforce these liens. However, any additional filings would be unlikely, and therefore, any related new costs would be negligible.