

SB 544 – SB 1342

FISCAL NOTE



Fiscal Review Committee
Tennessee General Assembly

February 18, 2025

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SUMMARY OF BILL: Requires a secured party, who is petitioning for a review of a financing statement, to forward the Uniform Commercial Code financing statement in question along with a notarized affidavit of the public official, to the Administrative Procedures Division of the Secretary of State (SOS).

Requires a secured party to provide a copy of a determination to the filing office if an administrative law judge determines that there is reasonable basis or legal cause for a financing statement; and requires a public official filing an affidavit to provide a copy of a determination to the filing office if an administrative law judge determines that there is no reasonable basis or legal cause for a financing statement. Clarifies that, if the secured party seeks review of a determination made by an administrative law judge, the party must provide a copy of the petition for judicial review to the filing office within seven days of the filing of the petition for review.

FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- As defined in Tenn. Code Ann. § 47-9-102(a)(39), a financing statement is a record or records composed of an initial financing statement and any filed record relating to the initial financing statement.
- Tennessee Code Annotated § 47-9-513(e)(5)(C) currently requires the filing office to forward the petition for review to the SOS, along with a request for a hearing, within three days of receipt of the petition for review.
- Any costs associated including the required additional documents along with the filing of petitions will be borne of private parties.
- Pursuant to Tenn. Code Ann. § 47-9-513(e)(9), in a contested case hearing of a petition for review by a secured party to determine whether the financing statement was filed with any reasonable basis or legal cause, the prevailing party may recover costs and expenses that are incurred in the review action.
- The proposed legislation can be accomplished by utilizing existing resources and personnel within the SOS, and therefore will result in no significant fiscal impact.

IMPACT TO COMMERCE:

NOT SIGNIFICANT

Assumption:

- The proposed legislation will not result in any significant impact to commerce or jobs in Tennessee.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Bojan Savic". The signature is written in a cursive, slightly slanted style.

Bojan Savic, Executive Director