



State of Wisconsin
2015 - 2016 LEGISLATURE

LRB-1381/1
ARG:kjf:jf

2015 ASSEMBLY BILL 81

March 5, 2015 - Introduced by Representatives BALLWEG, BERNIER, BORN, BRANDTJEN, E. BROOKS, DOYLE, EDMING, GANNON, JARCHOW, KATSMA, KERKMAN, KNODL, KOLSTE, KRUG, KUGLITSCH, MACCO, MILROY, MURPHY, MURSAU, MURTHA, OHNSTAD, A. OTT, PETRYK, QUINN, RIPP, ROHRKASTE, SCHRAA, WEATHERSTON and GENRICH, cosponsored by Senators NASS, GUDEX, VINEHOUT and WIRCH. Referred to Committee on State Affairs and Government Operations.

AUTHORS SUBJECT TO CHANGE

1 **AN ACT relating to:** modifying and repealing rules promulgated by the
2 Department of Financial Institutions and the Department of Revenue relating
3 to documents filed with county registers of deeds.

Analysis by the Legislative Reference Bureau

Current law adopts the Uniform Commercial Code (UCC) Article 9—Secured Transactions, which governs transactions that involve the granting of credit secured by personal property of a debtor. The creditor’s interest is called a “security interest.” UCC Article 9 regulates the creation and enforcement of security interests in movable property (goods), but not in real property. Under UCC Article 9, if a debtor defaults, the creditor may repossess and sell the property (generally called collateral) to satisfy the debt, but the rights of the creditor against other creditors depends in part on when or if the creditor “perfected” its security interest. Perfection of a security interest usually occurs with the filing by the creditor of a “financing statement” in a “filing office.” In Wisconsin, this filing office is usually the Department of Financial Institutions (DFI). However, if the collateral is a fixture (goods attached to real property), standing timber to be cut, or “as-extracted collateral” (oil, gas, or other minerals before extraction), the filing office is the office of register of deeds in the county where the property is located.

This bill makes minor modifications to DFI’s rules relating to UCC Article 9 filings made in an office of register of deeds.

Under current law, generally, a person who conveys real property to another person must pay a real estate transfer fee to, and file a return with, the register of

