



**House
Legislative
Analysis
Section**

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SECURITY FILINGS WITH SEC. OF STATE

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House Bill 4828

Sponsor: Rep. Lyn Bankes

Committee: Corporations & Finance

Complete to 5-22-89

A SUMMARY OF HOUSE BILL 4828 AS INTRODUCED 5-16-89

The Uniform Commercial Code was amended last year under Public Act 130 to allow persons who are required under the code to file information relative to security interests to submit unique identification numbers, such as social security or federal employer tax identification numbers, in order to facilitate better recordkeeping by the secretary of state. Currently, the act provides that "unless otherwise determined by the secretary of state," beginning September 1, 1988 all original filings of a security agreement or financing statement tendered to the secretary of state must contain the tax identification number of each debtor, except for certain exemptions as specified in the act. The bill would delete the provision which allows the secretary of state to determine whether the tax ID was needed, and would require each debtor's tax ID number to be included on all original filings, except as exempted, beginning April 1, 1990. Further, if an original filing of a security agreement or financing statement failed to contain each debtor's tax ID number and was not exempt from the act, the secretary of state could not accept it for filing.

MCL 440.9402 and 440.9406.

House Bill 4828 (5-22-89)