

SENATE FILE 2055
BY COMMITTEE ON AGRICULTURE
Supplement (p. 550)
(SUCCESSOR TO SSB 2102)

Passed Senate, Date 3/10/92 (p. 102) Passed House, Date 4/2/92 (p. 1062)
Vote: Ayes 46 Nays 0 Vote: Ayes 94 Nays 0
Approved April 15, 1992 (p. 1423)

A BILL FOR

1 An Act relating to the fee charged for filing termination of
2 financing statements under the uniform commercial Code.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 554.9404, subsection 3, Code Supplement
2 1991, is amended to read as follows:

3 3. There shall be a ~~ten-dollar~~ no fee for filing a
4 termination statement.

5 EXPLANATION

6 This bill amends chapter 554, the uniform commercial code.
7 Section 554.9404 allows a person to file a termination
8 statement with an appropriate filing officer providing that a
9 secured party no longer claims a security interest under a
10 financial statement. In 1991, the general assembly required
11 that a \$10 fee be charged for filing a termination statement.
12 This bill eliminates the fee.

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SENATE FILE 2255
FISCAL NOTE

A fiscal note for Senate File 2255 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

Senate File 2255 amends Section 554.9404, Code of Iowa, which allows a person to file a termination statement with an appropriate filing officer providing that a secured party no longer claims a security interest under a financial statement. The bill eliminates a \$10 filing fee.

Assumptions:

Although in the past the Secretary of State's office has seen as many as 100,000 filings of termination statements in a year, since the \$10 filing fee was implemented on July 1, 1991, only 12,000 statements have been filed to date. Using this information, it is assumed that 18,000 statements would be filed in FY 1992.

Fiscal Effect:

The elimination of a \$10 filing fee for termination statements would lower revenues going into the General Fund by \$180,000.

Source: Secretary of State

(LSB 5114sv, AAW)

FILED MARCH 6, 1992

BY DENNIS PROUTY, FISCAL DIRECTOR

DOYLE, CH.
SOORNOLTZ 2/4/92
HEDGE

SSB 2102
AGRICULTURE Now -

SENATE FILE 2255
BY (PROPOSED COMMITTEE ON
AGRICULTURE BILL BY
CHAIRPERSON PRIEBE)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the termination of financing statements under
2 the uniform commercial Code.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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2102

1 Section 1. Section 554.9404, Code Supplement 1991, is
2 amended by adding the following new subsection:

3 NEW SUBSECTION. 4. A secured party who charges a debtor
4 for presenting a termination statement to the filing officer
5 shall give the debtor written notice of the charge prior to
6 taking a security interest in the collateral. The notice
7 shall be in at least ten point type and state that this
8 section sets forth the rights of a debtor to demand the filing
9 of a termination statement if a secured party no longer claims
10 a security interest under the financing statement. The notice
11 shall also state that a filing officer is required to charge a
12 ten dollar fee to file a termination statement.

13 EXPLANATION

14 This bill amends chapter 554, the uniform commercial Code,
15 and specifically section 554.9404 which provides for the
16 termination of financing statements which provide notice to
17 persons that a debtor's property is subject to a security
18 interest by a creditor. The bill provides that the creditor
19 who charges a debtor for terminating a financing statement
20 shall give the debtor written notice of the charge prior to
21 taking the security interest in the collateral. The notice
22 must be in at least 10 point type and state that section
23 554.9404 sets forth the rights of a debtor to demand the
24 filing of a termination statement if a secured party no longer
25 claims a security interest under the financing statement. The
26 notice must also state that the filing officer is required to
27 charge a \$10 fee to file a termination statement.

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AN ACT
RELATING TO THE FEE CHARGED FOR FILING TERMINATION OF FINANCING
STATEMENTS UNDER THE UNIFORM COMMERCIAL CODE.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 554.9404, subsection 3, Code Supplement
1991, is amended to read as follows:

3. There shall be a-ten-dollar no fee for filing a
termination statement.

MICHAEL E. GRONSTAL
President of the Senate

ROBERT C. ARNOULD
Speaker of the House

I hereby certify that this bill originated in the Senate and
is known as Senate File 2255, Seventy-fourth General Assembly.

JOHN F. DWYER
Secretary of the Senate

Approved April 15, 1992

TERRY E. BRANSTAD
Governor

SF 2255