

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-2648/1dn
RJM:kmg:pg

May 13, 2003

Representative Ladwig:

Attached is the draft that you requested concerning UCC financing statements. As you review the draft, please note the following issues:

1. Please review the definition of "personal information" in proposed s. 409.102 (1) (pd) to ensure that it covers all of the types of information that you are concerned might appear in a description of collateral.
2. Please note that Wisconsin law currently does not require a financing statement to include a social security number, even though the standard form described in the statutes contains a space for the number.
3. Under current law, DFI makes available the national, standard form (and instructions) for UCC financing statements. Because this is a standard form, it is likely that Wisconsin residents use this form for filings both within and outside of Wisconsin. This draft requires DFI to alter the form that it makes available, so that it is not standard. The altered form may be rejected when presented by Wisconsin residents for filing outside of Wisconsin, thus hindering interstate commercial transactions.

It may be consistent with your intent, and potentially less detrimental to interstate commercial transactions, to leave the form *as is* and simply rely on the provisions of the bill that prohibit DFI from posting any social security number or employer identification number on the Internet.

3. You may want to have DFI review the draft to ensure that it is administratively feasible. With that in mind, I included a delayed effective date to provide DFI with some lead time to make the necessary adjustments to the statewide lien system.

If you have any questions or desire any changes, please feel free to call. I'd also be happy to walk over to the capitol to meet with you or your staff concerning your questions.

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