

BILL ANALYSIS

Senate Research Center
76R2698 WP-D

S.B. 477
By: Carona
State Affairs
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As Filed

DIGEST

Currently, the secretary of state's office has in place an electronic filing system which utilizes the Data Interchange Standards Association (DISA). The DISA system allows the electronic transmission of financing statements, which are acceptable without the debtor's signature. This bill would authorize the secretary of state to authorize the electronic generation or transmission of a financing statement or other filing made under this subchapter in lieu of a paper filing.

PURPOSE

As proposed, S.B. 477 authorizes the secretary of state to authorize the electronic generation or transmission of a financing statement or other filing made under this subchapter in lieu of a paper filing.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 9.409, Business & Commerce Code, by adding Subsection (c), as follows:

(c) Authorizes the secretary of state, by rule adopted under Section 9.411, to authorize the electronic generation or transmission of a financing statement or other filing made under this subchapter in lieu of a paper filing.

SECTION 2. Provides that the intent of Section 9.409(c), Business & Commerce Code, is to clarify existing law and that the authority expressed in that section is within the authority previously granted to the secretary of state under Section 9.409. Makes application of this Act retroactive.

SECTION 3. Emergency clause.
Effective date: upon passage.