

BY: Finance Committee

AMENDMENTS TO SENATE BILL 62  
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, strike beginning with “requiring” in line 6 down through “statement” in line 8 and substitute “requiring a certain filing office to send a copy of the termination statement to a certain secured party along with a certain notice; providing that on the filing of the termination statement, a certain financing statement ceases to be effective as to the government employee; authorizing the secured party to file an action to reinstate a financing statement under certain circumstances; requiring the secured party to provide a certain certified copy of certain judgment to a certain filing office under certain circumstances; requiring the filing office to file the judgment in a certain manner; providing that on the filing of a certain judgment, a certain financing statement shall be effective and shall be considered never to have been ineffective as against a certain person; authorizing the secured party to file a continuation statement under certain circumstances”; in line 9, after “statement,” insert “providing that the secured party shall pay the costs, reasonable attorney’s fees, and expenses incurred by a government employee in a certain action under certain circumstances; making certain conforming and stylistic changes”; and in line 14, after “9–513” insert “and 9–515(d)”.

AMENDMENT NO. 2

On page 3, after line 13, insert:

**“(A) THE DEBTOR IS A GOVERNMENT EMPLOYEE; AND”;**

in line 14, strike “(A)” and substitute “(B)”; in line 15, strike “STATEMENT; AND” and substitute “**STATEMENT.**”; strike in their entirety lines 16 through 22, inclusive, and substitute:

(Over)

“(4) ON THE FILING OF A TERMINATION STATEMENT UNDER THIS SUBSECTION, THE FILING OFFICE SHALL SEND A COPY OF THE TERMINATION STATEMENT BY FIRST-CLASS MAIL TO THE SECURED PARTY OF RECORD FOR THE FINANCING STATEMENT ALONG WITH A NOTICE STATING THAT THE FINANCING STATEMENT HAS BEEN TERMINATED.”;

strike in their entirety lines 27 and 28 and substitute:

“(6) (A) THE SECURED PARTY BELIEVES IN GOOD FAITH THAT THE FINANCING STATEMENT WAS AUTHORIZED AND PROPERLY FILED, THE SECURED PARTY, WITHIN 60 DAYS AFTER THE DATE THE NOTICE OF TERMINATION IS SENT, MAY FILE AN ACTION TO REINSTATE THE FINANCING STATEMENT IN THE CIRCUIT COURT WHERE THE FILING OFFICE IS LOCATED OR WHERE THE GOVERNMENT EMPLOYEE RESIDES.

(B) IF THE COURT DETERMINES THAT THE FINANCING STATEMENT SHOULD BE REINSTATED, THE SECURED PARTY SHALL PROVIDE A CERTIFIED COPY OF THE FINAL JUDGMENT TO THE FILING OFFICE.

(C) ON RECEIPT, THE FILING OFFICE SHALL FILE THE JUDGMENT IN A MANNER THAT IDENTIFIES THE FINANCING STATEMENT TO WHICH THE FINAL JUDGMENT RELATES AND INDICATES THAT THE FINANCING STATEMENT HAS BEEN REINSTATED.

(7) (A) ON THE FILING OF A FINAL JUDGMENT REINSTATING A FINANCING STATEMENT UNDER PARAGRAPH (6) OF THIS SUBSECTION, THE FINANCING STATEMENT SHALL BE EFFECTIVE AND SHALL BE CONSIDERED NEVER TO HAVE BEEN INEFFECTIVE AS AGAINST A PERSON THAT IS NOT A PURCHASER OF THE COLLATERAL FOR VALUE.

(B) IF A FINANCING STATEMENT THAT IS REINSTATED WOULD HAVE LAPSED DURING THE PERIOD OF TERMINATION, THE SECURED PARTY MAY FILE A CONTINUATION STATEMENT WITHIN 30 DAYS AFTER THE FINAL JUDGMENT OF THE COURT REINSTATING THE FINANCING STATEMENT IS FILED.

(8) A FEE MAY NOT BE CHARGED FOR A FILING OF A TERMINATION STATEMENT UNDER THIS SUBSECTION.

(9) IF THE COURT IN AN ACTION TO REINSTATE A FINANCING STATEMENT DETERMINES THAT THE FINANCING STATEMENT IS FRAUDULENT, THE SECURED PARTY OF RECORD THAT FILED THE FINANCING STATEMENT SHALL PAY THE COSTS, REASONABLE ATTORNEY'S FEES, AND EXPENSES INCURRED BY THE GOVERNMENT EMPLOYEE IN THE ACTION.”;

And in line 30, strike “upon” and substitute “ON”.

AMENDMENT NO. 3

On page 4, after line 2, insert:

“9–515.

(d) [A] EXCEPT AS PROVIDED IN § 9–513(D), A continuation statement may be filed only within six months before the expiration of the five–year period specified in subsection (a), the 30–year period specified in subsection (b), or the date the financing statement ceases to be effective under § 9–705(c) of this title, whichever is applicable.”.