

**HB0202/583396/1**

BY: Economic Matters Committee

AMENDMENTS TO HOUSE BILL 202  
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in lines 2 and 3, strike “Termination by Government Employees” and substitute “False Filings - Prohibited”; strike beginning with “authorizing” in line 4 down through “employees” in line 23 and substitute “providing that a person who files a financing statement or an amendment to a financing statement that the person knows contains false information is subject to a certain penalty; prohibiting a person from filing a financing statement or an amendment to a financing statement that the person knows contains false information; providing a penalty for a violation of certain provisions of this Act; and generally relating to financing statements”; in line 26, strike “9-513 and 9-515(d)” and substitute “9-509”; and after line 28, insert:

“BY adding to

Article - Criminal Law

Section 9-508

Annotated Code of Maryland

(2002 Volume and 2009 Supplement)”.

AMENDMENT NO. 2

On page 2, after line 3, insert:

“9-509.

(a) A person may file an initial financing statement, amendment that adds collateral covered by a financing statement, or amendment that adds a debtor to a financing statement only if:

(Over)

(1) The debtor authorizes the filing in an authenticated record or pursuant to subsection (b) or (c); or

(2) The person holds an agricultural lien that has become effective at the time of filing and the financing statement covers only collateral in which the person holds an agricultural lien.

(b) By authenticating or becoming bound as a debtor by a security agreement, a debtor or new debtor authorizes the filing of an initial financing statement, and an amendment, covering:

(1) The collateral described in the security agreement; and

(2) Property that becomes collateral under § 9–315(a)(2), whether or not the security agreement expressly covers proceeds.

(c) By acquiring collateral in which a security interest or agricultural lien continues under § 9–315(a)(1), a debtor authorizes the filing of an initial financing statement, and an amendment, covering the collateral and property that becomes collateral under § 9–315(a)(2).

(d) A person may file an amendment other than an amendment that adds collateral covered by a financing statement or an amendment that adds a debtor to a financing statement only if:

(1) The secured party of record authorizes the filing; or

(2) The amendment is a termination statement for a financing statement as to which the secured party of record has failed to file or send a termination statement as required by § 9–513, the debtor authorizes the filing, and the termination statement indicates that the debtor authorized it to be filed.

(e) If there is more than one secured party of record for a financing statement, each secured party of record may authorize the filing of an amendment under subsection (d).

(F) A PERSON WHO FILES A FINANCING STATEMENT OR AN AMENDMENT TO A FINANCING STATEMENT THAT THE PERSON KNOWS CONTAINS FALSE INFORMATION IS SUBJECT TO THE PENALTY PROVIDED IN § 9-508 OF THE CRIMINAL LAW ARTICLE.

Article – Criminal Law

9-508.

(A) IN THIS SECTION, “FINANCING STATEMENT” HAS THE MEANING STATED IN § 9-102 OF THE COMMERCIAL LAW ARTICLE.

(B) A PERSON MAY NOT FILE A FINANCING STATEMENT OR AN AMENDMENT TO A FINANCING STATEMENT THAT THE PERSON KNOWS CONTAINS FALSE INFORMATION.

(C) (1) A PERSON WHO VIOLATES THIS SECTION IS GUILTY OF A MISDEMEANOR AND ON CONVICTION IS SUBJECT TO A FINE NOT EXCEEDING \$500.

(2) EACH ACT OF FILING A FINANCING STATEMENT OR AN AMENDMENT TO A FINANCING STATEMENT IS A SEPARATE VIOLATION.”

On pages 2 through 5, strike in their entirety the lines beginning with line 4 on page 2 through line 8 on page 5, inclusive.