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OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
and Drafting

Legislative Budget
Office

H.B. 195
136th General Assembly

Fiscal Note & Local Impact Statement

[Click here for H.B. 195's Bill Analysis](#)

Version: As Passed by the House

Primary Sponsors: Reps. Isaacsohn and A. Mathews

Local Impact Statement Procedure Required: No

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Highlights

- The bill establishes a new Uniform Commercial Code (UCC) Article 12 to provide rules for transactions involving certain new types of digital assets. This new article will lead to new and additional UCC filings for the Secretary of State (SOS) to handle.
- The Business Services Division of the SOS is responsible for processing UCC and business filings. The costs of doing so are paid from the Business Services Fund (Fund 5990) under appropriation line item 050603, Business Services Operating Expenses.

Detailed Analysis

The bill establishes a new Uniform Commercial Code (UCC) Article 12 to provide rules for transactions involving certain new types of digital assets called controllable electronic records (CERs). This will lead to additional filings with the Secretary of State, as explained in more detail below. UCC laws are drafted by the Uniform Law Commission, which publishes model laws for states to adopt. The bill reflects the 2022 amendments to the UCC addressing the legal status and transfer of digital assets such as cryptocurrency and nonfungible tokens (NFTs), which the bill calls CERs. The bill also updates Article 9 of the UCC to address security interests in CERs and to accommodate the use of CERs as collateral for loans. The details of these changes can be found in the LSC bill analysis.

Overall, adopting Article 12 would result in additional UCC and other business filings for the Secretary of State's Business Services Division. The total number of new or additional filings resulting from the bill is unknown. However, the additional filings would increase processing costs for the Division. The costs the Business Services Division incurs for handling UCC filings are paid from the Business Services Fund (Fund 5990) under appropriation line item 050603, Business Services Operating Expenses. Fund 5990 consists of revenues generated through the

approximately 140 different UCC and business filing fees.¹ In FY 2024, Fund 5990 collected almost \$2.1 million specifically from UCC filing fees. That amount increased to \$2.2 million in FY 2025. As of November 2025, UCC-related fee collections were just under \$900,000 for FY 2026 year-to-date.

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¹ List of filing fees accessed on June 16, 2025, at sos.state.oh.us/businesses/filing-forms--fee-schedule.