



STATE OF MINNESOTA
Office of Minnesota Secretary of State
Steve Simon

May 9, 2022

Omnibus Jobs, Energy and Commerce Policy and Supplemental Appropriations
Conference Committee
100 Rev. Dr. Martin Luther King Jr. Blvd.
Saint Paul, MN 55155

Dear Senators and Representatives:

I am writing today to encourage your support of Sections 57-59 of the House omnibus jobs, energy and commerce bill. These sections encompass the components of the "Bogus Filer" bill which passed with strong bipartisan support out of the House Commerce and Senate Civil Law and Data Practices Committees. This provision would give Minnesota a critical fraud-fighting tool that a majority of states already possess.

The office's Business Services Division regularly files Uniform Commercial Code (UCC) liens. These are legal notices where the filer has a security interest against the debtor. Legitimate UCC liens are filed with the office on a regular basis, but unfortunately, the office also receives clearly fraudulent filings routinely. These fraudulent filings come in different forms but have common characteristics and are often retaliatory or harassment in nature - commonly filed against corrections officers, law enforcement, judges, and other public officials.

Currently, when the office receives a clearly fraudulent or harassment filing, OSS staff are not permitted to reject these filings at the time of filing or after the fact. The language in sections 57-59 of the bill is a version of the pre-filing remedy used in at least 24 other states that would allow the office to set aside clearly fraudulent filings. Built into the bill language is an appeal process should a rejected filer believe they have a legitimate filing. Additionally, if staff miss setting aside a filing that is fraudulent, the bill sets up an administrative process to remove the filing instead of the current requirement for a victim to go to court and seek an expungement.

The Office would like to cut down on this fraud, not just for efficiency for our office, but the victims. We want to relieve this burden for everyday citizens - that is precisely what the proposed language does. It is not a cure-all but will greatly reduce the occurrence of these fraudulent filings, impacting people's lives in a real way.

Thank you again for your support of this important legislative change.

Sincerely,

A handwritten signature in black ink that reads "Steve Simon".

Steve Simon
Minnesota Secretary of State