

SENATE BILL NO. 73
INTRODUCED BY D. MCGEE
BY REQUEST OF THE SECRETARY OF STATE

A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING A FILING OFFICER TO GIVE NOTICE TO THE DEBTOR PRIOR TO REJECTING THE FILING OF OR REMOVING THE FILING OF A LIEN THAT THE FILING OFFICER HAS REASON TO BELIEVE IS IMPROPER OR FRAUDULENT; AND AMENDING SECTION 30-9A-420, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 30-9A-420, MCA, is amended to read:

"30-9A-420. Removal of improper or fraudulent liens -- notice to secured party and debtor. (1) If a filing officer receives a complaint or has reason to believe that a lien submitted or filed with the filing officer's office is improper or fraudulent, the filing officer may reject the submission or remove the filing from existing files after giving notice and an opportunity to respond to the secured party and the debtor.

(2) A person adversely affected by a lien that is determined to be improper or fraudulent by the filing officer may recover treble damages from the person responsible for submitting the lien."

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