

State Corporation Commission 2004 Fiscal Impact Statement

1. Bill Number SB536

House of Origin ☐ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☒ Enrolled

2. Patron Stosch

3. Committee Passed Both Houses

4. Title Asset-Backed Securities Facilitation Act; created.

5. Summary/Purpose: Creates the "Asset-backed Securities Facilitation Act." The bill provides that any property, assets, or rights purported to be transferred in a securitization transaction shall be deemed to no longer be the property, assets, or rights of the transferor. The bill also provides that a transferor in a securitization transaction, its creditors or, in any insolvency proceeding with respect to the transferor or the transferor's property, a bankruptcy trustee, receiver, debtor, debtor in possession, or similar person, to the extent the issue is governed by the laws of the Commonwealth, shall have no rights to reacquire, reclaim, recover, repudiate, disaffirm, redeem, or recharacterize as property of the transferor any property, assets, or rights purported to be transferred by the transferor. In the event of a bankruptcy, receivership, or other insolvency proceeding, to the extent the issue is governed by the laws of the Commonwealth, the property, assets, and rights shall not be deemed to be part of the transferor's property, assets, rights, or estate.

6. No fiscal impact on state agencies.

7. Budget amendment necessary: No.

8. Fiscal implications: None.

9. Specific agency or political subdivisions affected: State Corporation Commission's
Bureau of Financial Institutions

10. Technical amendment necessary: No.

11. Other comments: None

Date: 03-25-04 E. J. Face, Jr.

cc: Secretary of Commerce and Trade