



April 28, 2026

Honorable Joseph J. Solomon, Jr.
Chairman, House Committee on Corporations
Rhode Island State House
Providence, RI 02903

RE: H8324 – SUPPORT

Dear Chairman Solomon:

On behalf of the Rhode Island Business Leaders Alliance (the “Alliance”), I write in support of H8324 – An Act Relating to Uniform Commercial Code -- Secured Transactions.

H8324 is a practical and important bill that would strengthen consumer protections for Rhode Island businesses and individuals against deceptive filings and fraudulent commercial record practices. Among other things, the bill would authorize the Rhode Island Secretary of State to refuse certain records where it reasonably believes the filing was made with the intent to harass or defraud, particularly where the filing appears materially false or unauthorized, targets public officials without a valid security agreement or judgment, or otherwise reflects suspicious indicia on its face.

Just as importantly, the bill would address deceptive solicitations sent to businesses by non-governmental third parties that are designed to mimic official state notices. H8324 would require clear disclosure that such communications are advertisements, not government documents, would prohibit misleading design elements and false implications of legal obligation, and would permit enforcement through Rhode Island’s deceptive trade practices framework.

These are common-sense reforms that are responsive to a growing problem facing our members. Rhode Island businesses, especially small businesses, should not be misled into paying unnecessary fees or responding to solicitations that mimic official government correspondence. Nor should the Secretary of State’s Corporate Database—a vital tool for Rhode Island businesses of all sizes—be left vulnerable to abusive or fraudulent filings that can be used to harass individuals, cloud records, or create needless legal and administrative burdens for those seeking to correct fraudulent corporate and UCC filings. H8324 responds to these concerns in a balanced and business-friendly way.

The Alliance particularly supports the bill's focus on transparency and clarity. Requiring prominent disclosure that a solicitation is merely an advertisement, requiring the sender's true physical address, and prohibiting the use of state seals or branding will help businesses distinguish legitimate government requirements from misleading third-party solicitations. Those protections are especially important for small employers and new business owners who may be less familiar with state filing processes and therefore more susceptible to deceptive practices.

Likewise, allowing the Secretary of State's greater ability to reject clearly suspicious UCC records is a sensible step toward protecting the integrity of Rhode Island's commercial filing system. Legitimate secured transactions depend on a filing regime that is reliable, orderly, and not easily manipulated for harassment or fraud. H8324 helps preserve that integrity while still allowing proper filings to proceed.

In short, H8324 promotes fairness, transparency, and confidence in Rhode Island's business and filing environment. It protects businesses from deceptive solicitation practices, helps guard against abusive filings, and supports a more trustworthy commercial system for all parties who rely upon it. For those reasons, the Alliance respectfully urges the Committee's favorable consideration of H8324.

Sincerely,

Gregory Tumolo

Gregory Tumolo, Executive Director
Rhode Island Business Leaders Alliance

CC:
Members of the House Committee on Corporations