



## **BEST PRACTICES FOR FILING OFFICES THAT MAKE CHANGES TO STANDARD SEARCH LOGIC**

A filing office's standard search logic, as defined by Model Administrative Rule 503.1, is relied upon by many outside parties for secured transactions. Changing this search logic can have consequences that may not be immediately realized by the filing office and implementation of changes requires careful consideration by the filing office.

The Secured Transactions Section of the International Association of Commercial Administrators makes the following best practice recommendations for jurisdictions that are changing filing office standard search logic:

### **CONSIDER YOUR IMPETUS FOR CHANGING YOUR RULE.**

From the outset, the filing office should ask itself, "What is the problem that we are trying to solve?" The answer to this question should guide every step of the development process to ensure that the proposed search logic change is actually going to solve the problem. It is also important to consider if the change to search logic is going to create any new issues with searching. A critical evaluation of any change is necessary to adequately protect against any unintended consequences.

### **IDENTIFY STAKEHOLDERS.**

During the beginning stages of a search logic change, identify those parties that rely on the filing office for searches and other UCC information management services. Anyone who could potentially be affected by a change in search logic should be given adequate advance notice and potentially a period to provide public comments. It is important that the filing office understand how changing search logic could impact these groups. The filing office should reach out to these groups in the early stages of this process, as these groups might be able to provide valuable insight and assistance. Further, some stakeholders, such as bulk data purchase customers, might need to do IT updates to their programming to make it compatible with the new search logic standards.

### **PROVIDE ADEQUATE PUBLIC NOTICE.**

Providing adequate public notice requires a multi-faceted approach to ensure all necessary parties have adequate time to prepare. When considering providing notice, it is important to consider any Administrative Rule that prescribes guidelines for providing notice.

- Method
  - Press release
  - Online statement
  - Including a flyer with all UCC acknowledgments and searches mailed from the office to provide notice that the search logic is changing or has changed
  - An update on the IACA STS list serve with the notice

- Timing
  - o Notice should provide the exact date and time of the search logic changes
  - o Notice should be provided at least thirty days prior to the changes going into effect, unless an administrative rule provides a different timeline
- Who receives notice
  - o Online Filing Account Holders
  - o Website Users
  - o Bar Associations
  - o Bulk Data customers
  - o IACA STS list serve
- What Notice Should contain
  - o Identify to the best of your abilities how search results will change – e.g., removing noise words – and what type of searches will be affected – e.g., Inc will no longer retrieve Incorporated.
    - If possible, include examples of pre- and post-search logic changes or links to examples of the search logic changes are applied, especially as it relates to individual name searches.
    - Attach complete set of search logic rules, including any administrative rules that are being updated.
    - Mailed notices should contain a link to the filing office’s website where more information is available, such as the examples of the search logic changes as applied to individual names and a complete set of the updated search logic rules. Notices sent electronically via email can contain these examples and rules as attachments or as links to the office website.
- Retention of Notice
  - o The exact date and time of the programming change should be maintained by the filing office in historical records. This information should be documented in the following places:
    - Programming Code comments for the application
    - Application release notes
    - It is strongly encouraged that this information is added to the search logic section in the administrative rules.

Notification is important for those filers that may need to amend their filings so the updated search logic would still retrieve the desired results. These filers would need to amend these filings prior to the search logic update, so adequate advance notice is imperative.

#### TESTING.

Testing should occur as early as possible to allow adequate time to make necessary changes and then to test thoroughly those changes. If available, user testing should be performed at each phase of development to ensure accuracy.

Both the in-house system and the public search functionality should be tested to ensure that search results are the same in both settings. A standard set of test scripts, developed based on the specific search logic changes but also including tests based on what is not changing, should be used throughout the testing phase.

Testing should be performed by:

- In-house users
- End users. It is noted that providing a test environment to outside users might not be feasible. However, to the extent that it is possible, it is recommended to involve end users, such as service companies, in the testing.

**MAINTAIN LEGACY SEARCH LOGIC ON WEBSITE AS NON-STANDARD SEARCH LOGIC.**

The filing office should maintain a public search page with the legacy search logic for a period of 1 year. This will allow filers to compare searches using both search logics, to ensure that their debtor names are still retrieved using the new search logic. The legacy search logic page should follow the IACA Best Practices Recommendations for Non-Standard Search Logic. If another non-standard search logic system is in place, it is important to distinguish between that system and the new/temporary non-standard legacy system so users may make a decision on which system to use for searching.