

By: Brimer

S.B. No. 1533

A BILL TO BE ENTITLED

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AN ACT

relating to the filing of a financing statement record under the Uniform Commercial Code.

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

SECTION 1. Section 9.516, Business & Commerce Code, is amended to read as follows:

Sec. 9.516. WHAT CONSTITUTES FILING; EFFECTIVENESS OF FILING. (a) Except as otherwise provided in Subsection (b), communication of a record to a filing office and tender of the filing fee or acceptance of the record by the filing office constitutes filing.

(b) Filing does not occur with respect to a record that a filing office refuses to accept because:

(1) the record is not on the National Standard Form or a form approved by the International Association of Commercial Administrators (IACA) and adopted by administrative rule by the secretary of state;

(2) the record is not communicated by a method or medium of communication authorized by the filing office;

(3) [~~2~~] an amount equal to or greater than the applicable filing fee is not tendered;

(4) [~~3~~] the filing office is unable to index the record because:

(A) in the case of an initial financing

1 statement, the record does not provide a name for the debtor;

2 (B) in the case of an amendment or correction
3 statement, the record:

4 (i) does not identify the initial financing
5 statement as required by Section 9.512 or 9.518, as applicable; or

6 (ii) identifies an initial financing
7 statement whose effectiveness has lapsed under Section 9.515;

8 (C) in the case of an initial financing statement
9 that provides the name of a debtor identified as an individual or an
10 amendment that provides a name of a debtor identified as an
11 individual that was not previously provided in the financing
12 statement to which the record relates, the record does not identify
13 the debtor's last name; or

14 (D) in the case of a record filed or recorded in
15 the filing office described in Section 9.501(a)(1), the record does
16 not provide a sufficient description of the real property to which
17 it relates;

18 (5) [~~(4)~~] in the case of an initial financing
19 statement or an amendment that adds a secured party of record, the
20 record does not provide a name and mailing address for the secured
21 party of record;

22 (6) [~~(5)~~] in the case of an initial financing
23 statement or an amendment that provides a name of a debtor that was
24 not previously provided in the financing statement to which the
25 amendment relates, the record does not:

26 (A) provide a mailing address for the debtor;

27 (B) indicate whether the debtor is an individual

1 or an organization; or

2 (C) if the financing statement indicates that the
3 debtor is an organization, provide:

4 (i) a type of organization for the debtor;

5 (ii) a jurisdiction of organization for the
6 debtor; or

7 (iii) an organizational identification
8 number for the debtor or indicate that the debtor has none;

9 (7) [~~(6)~~] in the case of an assignment reflected in an
10 initial financing statement under Section 9.514(a) or an amendment
11 filed under Section 9.514(b), the record does not provide a name and
12 mailing address for the assignee; or

13 (8) [~~(7)~~] in the case of a continuation statement, the
14 record is not filed within the six-month period prescribed by
15 Section 9.515(d).

16 (c) For purposes of Subsection (b):

17 (1) a record does not provide information if the
18 filing office is unable to read or decipher the information; and

19 (2) a record that does not indicate that it is an
20 amendment or identify an initial financing statement to which it
21 relates, as required by Section 9.512, 9.514, or 9.518, is an
22 initial financing statement.

23 (d) A record that is communicated to the filing office with
24 tender of the filing fee, but that the filing office refuses to
25 accept for a reason other than one set forth in Subsection (b), is
26 effective as a filed record except as against a purchaser of the
27 collateral that gives value in reasonable reliance upon the absence

1 of the record from the files.

2 SECTION 2. Section 9.521, Business & Commerce Code, is
3 amended to read as follows:

4 Sec. 9.521. UNIFORM FORM OF WRITTEN FINANCING STATEMENT AND
5 AMENDMENT. (a) A filing office that accepts written records may
6 not refuse to accept a written initial financing statement on the
7 National Standard Form or a form approved by the International
8 Association of Commercial Administrators (IACA) and adopted by
9 administrative rule by the secretary of state, [~~in the following~~
10 ~~form and format]~~ except for a reason set forth in Section
11 9.516(b).[+

12 "THE PRINTED VERSION OF THIS PAGE AND THE FOLLOWING PAGE CONTAIN A
13 COPY OF THE STANDARDIZED FORM FOR THE UCC FINANCING STATEMENT AND
14 FORM FOR THE UCC FINANCING STATEMENT ADDENDUM, RESPECTIVELY. THESE
15 FORMS ARE BEING DELETED FROM THE STATUTES AND ARE BRACKETED AND
16 STRICKEN THROUGH ON THESE PAGES. THE CONTENTS OF THESE PAGES CANNOT
17 BE VIEWED ON-LINE DUE TO WORD PROCESSOR LIMITATIONS WITH GRAPHIC
18 FILES. PLEASE CONTACT SENATE DOCUMENT DISTRIBUTION FOR A HARD
19 COPY."

20 (b) A filing office that accepts written records may not
21 refuse to accept a written record on the National Standard Form or a
22 form approved by the International Association of Commercial
23 Administrators (IACA) and adopted by administrative rule by the
24 secretary of state, [~~in the following form and format]~~ except for a
25 reason set forth in Section 9.516(b).[+

26 "THE PRINTED VERSION OF THIS PAGE AND THE FOLLOWING PAGE CONTAIN A
27 COPY OF THE STANDARDIZED FORM FOR THE UCC FINANCING STATEMENT

1 AMENDMENT AND FORM FOR THE UCC FINANCING STATEMENT AMENDMENT
2 ADDENDUM, RESPECTIVELY. THESE FORMS ARE BEING DELETED FROM THE
3 STATUTES AND ARE BRACKETED AND STRICKEN THROUGH ON THESE PAGES. THE
4 CONTENTS OF THESE PAGES CANNOT BE VIEWED ON-LINE DUE TO WORD
5 PROCESSOR LIMITATIONS WITH GRAPHIC FILES. PLEASE CONTACT SENATE
6 DOCUMENT DISTRIBUTION FOR A HARD COPY."

7 SECTION 3. This Act takes effect January 1, 2004.