

1-1 By: Brimer S.B. No. 1533
1-2 (In the Senate - Filed March 14, 2003; March 20, 2003, read
1-3 first time and referred to Committee on Business and Commerce;
1-4 April 2, 2003, reported favorably by the following vote: Yeas 8,
1-5 Nays 0; April 2, 2003, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to the filing of a financing statement record under the
1-9 Uniform Commercial Code.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 SECTION 1. Section 9.516, Business & Commerce Code, is
1-12 amended to read as follows:

1-13 Sec. 9.516. WHAT CONSTITUTES FILING; EFFECTIVENESS OF
1-14 FILING. (a) Except as otherwise provided in Subsection (b),
1-15 communication of a record to a filing office and tender of the
1-16 filing fee or acceptance of the record by the filing office
1-17 constitutes filing.

1-18 (b) Filing does not occur with respect to a record that a
1-19 filing office refuses to accept because:

1-20 (1) the record is not on the National Standard Form or
1-21 a form approved by the International Association of Commercial
1-22 Administrators (IACA) and adopted by administrative rule by the
1-23 secretary of state;

1-24 (2) the record is not communicated by a method or
1-25 medium of communication authorized by the filing office;

1-26 (3) [~~(2)~~] an amount equal to or greater than the
1-27 applicable filing fee is not tendered;

1-28 (4) [~~(3)~~] the filing office is unable to index the
1-29 record because:

1-30 (A) in the case of an initial financing
1-31 statement, the record does not provide a name for the debtor;

1-32 (B) in the case of an amendment or correction
1-33 statement, the record:

1-34 (i) does not identify the initial financing
1-35 statement as required by Section 9.512 or 9.518, as applicable; or

1-36 (ii) identifies an initial financing
1-37 statement whose effectiveness has lapsed under Section 9.515;

1-38 (C) in the case of an initial financing statement
1-39 that provides the name of a debtor identified as an individual or an
1-40 amendment that provides a name of a debtor identified as an
1-41 individual that was not previously provided in the financing
1-42 statement to which the record relates, the record does not identify
1-43 the debtor's last name; or

1-44 (D) in the case of a record filed or recorded in
1-45 the filing office described in Section 9.501(a)(1), the record does
1-46 not provide a sufficient description of the real property to which
1-47 it relates;

1-48 (5) [~~(4)~~] in the case of an initial financing
1-49 statement or an amendment that adds a secured party of record, the
1-50 record does not provide a name and mailing address for the secured
1-51 party of record;

1-52 (6) [~~(5)~~] in the case of an initial financing
1-53 statement or an amendment that provides a name of a debtor that was
1-54 not previously provided in the financing statement to which the
1-55 amendment relates, the record does not:

1-56 (A) provide a mailing address for the debtor;

1-57 (B) indicate whether the debtor is an individual
1-58 or an organization; or

1-59 (C) if the financing statement indicates that the
1-60 debtor is an organization, provide:

1-61 (i) a type of organization for the debtor;

1-62 (ii) a jurisdiction of organization for the
1-63 debtor; or

1-64 (iii) an organizational identification

2-1 number for the debtor or indicate that the debtor has none;
2-2 (7) [~~(6)~~] in the case of an assignment reflected in an
2-3 initial financing statement under Section 9.514(a) or an amendment
2-4 filed under Section 9.514(b), the record does not provide a name and
2-5 mailing address for the assignee; or

2-6 (8) [~~(7)~~] in the case of a continuation statement, the
2-7 record is not filed within the six-month period prescribed by
2-8 Section 9.515(d).

2-9 (c) For purposes of Subsection (b):

2-10 (1) a record does not provide information if the
2-11 filing office is unable to read or decipher the information; and

2-12 (2) a record that does not indicate that it is an
2-13 amendment or identify an initial financing statement to which it
2-14 relates, as required by Section 9.512, 9.514, or 9.518, is an
2-15 initial financing statement.

2-16 (d) A record that is communicated to the filing office with
2-17 tender of the filing fee, but that the filing office refuses to
2-18 accept for a reason other than one set forth in Subsection (b), is
2-19 effective as a filed record except as against a purchaser of the
2-20 collateral that gives value in reasonable reliance upon the absence
2-21 of the record from the files.

2-22 SECTION 2. Section 9.521, Business & Commerce Code, is
2-23 amended to read as follows:

2-24 Sec. 9.521. UNIFORM FORM OF WRITTEN FINANCING STATEMENT AND
2-25 AMENDMENT. (a) A filing office that accepts written records may
2-26 not refuse to accept a written initial financing statement on the
2-27 National Standard Form or a form approved by the International
2-28 Association of Commercial Administrators (IACA) and adopted by
2-29 administrative rule by the secretary of state, [~~in the following~~
2-30 ~~form and format~~] except for a reason set forth in Section
2-31 9.516(b). [~~+~~

2-32 "THE PRINTED VERSION OF THIS PAGE AND THE FOLLOWING PAGE CONTAIN A
2-33 COPY OF THE STANDARDIZED FORM FOR THE UCC FINANCING STATEMENT AND
2-34 FORM FOR THE UCC FINANCING STATEMENT ADDENDUM, RESPECTIVELY. THESE
2-35 FORMS ARE BEING DELETED FROM THE STATUTES AND ARE BRACKETED AND
2-36 STRICKEN THROUGH ON THESE PAGES. THE CONTENTS OF THESE PAGES CANNOT
2-37 BE VIEWED ON-LINE DUE TO WORD PROCESSOR LIMITATIONS WITH GRAPHIC
2-38 FILES. PLEASE CONTACT SENATE DOCUMENT DISTRIBUTION FOR A HARD
2-39 COPY."

2-40 (b) A filing office that accepts written records may not
2-41 refuse to accept a written record on the National Standard Form or a
2-42 form approved by the International Association of Commercial
2-43 Administrators (IACA) and adopted by administrative rule by the
2-44 secretary of state, [~~in the following form and format~~] except for a
2-45 reason set forth in Section 9.516(b). [~~+~~

2-46 "THE PRINTED VERSION OF THIS PAGE AND THE FOLLOWING PAGE CONTAIN A
2-47 COPY OF THE STANDARDIZED FORM FOR THE UCC FINANCING STATEMENT
2-48 AMENDMENT AND FORM FOR THE UCC FINANCING STATEMENT AMENDMENT
2-49 ADDENDUM, RESPECTIVELY. THESE FORMS ARE BEING DELETED FROM THE
2-50 STATUTES AND ARE BRACKETED AND STRICKEN THROUGH ON THESE PAGES. THE
2-51 CONTENTS OF THESE PAGES CANNOT BE VIEWED ON-LINE DUE TO WORD
2-52 PROCESSOR LIMITATIONS WITH GRAPHIC FILES. PLEASE CONTACT SENATE
2-53 DOCUMENT DISTRIBUTION FOR A HARD COPY."

2-54 SECTION 3. This Act takes effect January 1, 2004.

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