

HOUSE BILL NO. 9

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-EIGHTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVE GRUENBERG

Introduced: 1/16/13

Referred: Labor and Commerce, Judiciary

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to secured transactions under the Uniform Commercial Code and to
2 the regulation of funds transfers, including remittance transfers, under the Uniform
3 Commercial Code and federal law; and providing for an effective date."

4 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 * **Section 1.** AS 45.14.108 is amended to read:

6 **Sec. 45.14.108. Relationship to [EXCLUSION OF CONSUMER**
7 **TRANSACTIONS GOVERNED BY] federal law. Except as provided in (b) of**
8 **this section, this [THIS] chapter does not apply to a funds transfer if a part of the**
9 **funds transfer is governed by 15 U.S.C. 1693 - 1693r (Electronic Fund Transfer Act of**
10 **1978), as amended from time to time.**

11 * **Sec. 2.** AS 45.14.108 is amended by adding new subsections to read:

12 (b) This chapter applies to a funds transfer that is a remittance transfer as
13 defined in 15 U.S.C. 1693o-1, as amended from time to time, unless the remittance
14 transfer is an electronic fund transfer as defined in 15 U.S.C. 1693a, as amended from

1 time to time.

2 (c) In a funds transfer to which this chapter applies, in the event of an
3 inconsistency between an applicable provision of this chapter and an applicable
4 provision of 15 U.S.C. 1693 - 1693r, the provision of 15 U.S.C. 1693 - 1693r governs
5 to the extent of the inconsistency.

6 * **Sec. 3.** AS 45.29.102(a)(8) is repealed and reenacted to read:

7 (8) "authenticate" means

8 (A) to sign; or

9 (B) with present intent to adopt or accept a record, to attach to
10 or logically associate with the record an electronic sound, symbol, or process;

11 * **Sec. 4.** AS 45.29.102(a)(13) is amended to read:

12 (13) "certificate of title" means

13 (A) a certificate of title with respect to which a statute provides
14 for the security interest in question to be indicated on the certificate as a
15 condition or result of the security interest's obtaining priority over the rights of
16 a lien creditor with respect to the collateral;

17 (B) a record, other than a certificate of title described in (A)
18 of this paragraph, maintained as an alternative to a certificate of title by
19 the governmental unit that issues certificates of title if a statute permits
20 the security interest in question to be indicated on the record as a
21 condition or result of the security interest's obtaining priority over the
22 rights of a lien creditor with respect to the collateral;

23 * **Sec. 5.** AS 45.29.102(a)(61) is amended to read:

24 (61) "jurisdiction of organization," with respect to a registered
25 organization, means the jurisdiction under whose law the organization is **formed or**
26 organized;

27 * **Sec. 6.** AS 45.29.102(a)(87) is repealed and reenacted to read:

28 (87) "registered organization" means an organization formed or
29 organized solely under the law of a single state or the United States by the filing of a
30 public organic record with, the issuance of a public organic record by, or the
31 enactment of legislation by the state or the United States, including a business trust

1 that is formed or organized under the law of a single state if a statute of the state
 2 governing business trusts requires that the business trust's organic record be filed with
 3 the state;

4 * **Sec. 7.** AS 45.29.102(a) is amended by adding a new paragraph to read:

5 (105) "public organic record" means a record that is available to the
 6 public for inspection and that is

7 (A) a record consisting of the record initially filed with or
 8 issued by a state or the United States to form or organize an organization and a
 9 record filed with or issued by the state or the United States that amends or
 10 restates the initial record;

11 (B) an organic record of a business trust consisting of the
 12 record initially filed with a state and a record filed with the state that amends or
 13 restates the initial record if a statute of the state governing business trusts
 14 requires that the record be filed with the state; or

15 (C) a record consisting of legislation enacted by the legislature
 16 of a state or the United States Congress that forms or organizes an
 17 organization, a record amending the legislation, and a record filed with or
 18 issued by the state or the United States that amends or restates the name of the
 19 organization.

20 * **Sec. 8.** AS 45.29.105 is amended to read:

21 **Sec. 45.29.105. Control of electronic chattel paper. (a)** A secured party has
 22 control of electronic chattel paper if a system employed for evidencing the transfer
 23 of interests in the chattel paper reliably establishes the secured party as the
 24 person to which the chattel paper was assigned.

25 (b) A system satisfies (a) of this section if the record or records comprising
 26 the chattel paper are created, stored, and assigned in such a manner that

27 (1) a single authoritative copy of the record or records exists that is
 28 unique, identifiable, and, except as otherwise provided in (4) - (6) of this subsection
 29 [SECTION], unalterable;

30 (2) the authoritative copy identifies the secured party as the assignee of
 31 the record or records;

(3) the authoritative copy is communicated to and maintained by the secured party or its designated custodian;

(4) copies or amendments [REVISIONS] that add or change an identified assignee of the authoritative copy can be made only with the consent [PARTICIPATION] of the secured party;

(5) each copy of the authoritative copy and any copy of a copy is readily identifiable as a copy that is not the authoritative copy; and

(6) any amendment [REVISION] of the authoritative copy is readily identifiable as [AN] authorized or unauthorized [REVISION].

* **Sec. 9.** AS 45.29.307(f) is amended to read:

(f) Except as otherwise provided in (i) of this section, a registered organization that is organized under the law of the United States and a branch or agency of a bank that is not organized under the law of the United States or a state are located

(1) in the state that the law of the United States designates if the law designates a state of location;

(2) in the state that the registered organization, branch, or agency designates if the law of the United States authorizes the registered organization, branch, or agency to designate its state of location, including by designating its main office, home office, or other comparable office; or

(3) in the District of Columbia if neither (1) nor (2) of this subsection applies.

* **Sec. 10.** AS 45.29.311(a) is amended to read:

(a) Except as otherwise provided in (d) of this section, the filing of a financing statement is not necessary or effective to perfect a security interest in property subject to

(1) a statute, regulation, or treaty of the United States whose requirements for a security interest's obtaining priority over the rights of a lien creditor with respect to the property preempt AS 45.29.310(a);

(2) AS 28.10; however, during a period in which collateral is inventory held for sale by a person who is in the business of selling goods of that kind, the filing provisions of AS 45.29.501 - 45.29.525 apply to a security interest in that collateral

1 created by that person as debtor; or

2 (3) a [CERTIFICATE-OF-TITLE] statute of another jurisdiction that
3 provides for a security interest to be indicated on a [THE] certificate of title as a
4 condition or result of the security interest's obtaining priority over the rights of a lien
5 creditor with respect to the property.

6 * **Sec. 11.** AS 45.29.316 is amended by adding new subsections to read:

7 (h) The following rules apply to collateral to which a security interest attaches
8 within four months after the debtor changes its location to another jurisdiction:

9 (1) a financing statement filed before the change under the law of the
10 jurisdiction designated in AS 45.29.301(1) or 45.29.305(c) is effective to perfect a
11 security interest in the collateral if the financing statement would have been effective
12 to perfect a security interest in the collateral had the debtor not changed its location;

13 (2) if a security interest perfected by a financing statement that is
14 effective under (1) of this subsection becomes perfected under the law of the other
15 jurisdiction before the earlier of the time the financing statement would have become
16 ineffective under the law of the jurisdiction designated in AS 45.29.301(1) or
17 45.29.305(c) or the expiration of the four-month period, it remains perfected; if the
18 security interest does not become perfected under the law of the other jurisdiction
19 before the earlier time or event, it becomes unperfected and is considered never to
20 have been perfected as against a purchaser of the collateral for value.

21 (i) If a financing statement naming an original debtor is filed under the law of
22 the jurisdiction designated in AS 45.29.301(1) or 45.29.305(c) and the new debtor is
23 located in another jurisdiction, the following rules apply:

24 (1) the financing statement is effective to perfect a security interest in
25 collateral acquired by the new debtor before, and within four months after, the new
26 debtor becomes bound under AS 45.29.203(d), if the financing statement would have
27 been effective to perfect a security interest in the collateral had the collateral been
28 acquired by the original debtor;

29 (2) a security interest perfected by the financing statement and that
30 becomes perfected under the law of the other jurisdiction before the earlier of the time
31 the financing statement would have become ineffective under the law of the

jurisdiction designated in AS 45.29.301(1) or 45.29.305(c) or the expiration of the four-month period remains perfected; a security interest that is perfected by the financing statement but that does not become perfected under the law of the other jurisdiction before the earlier time or event becomes unperfected and is considered never to have been perfected as against a purchaser of the collateral for value.

* **Sec. 12.** AS 45.29.317(b) is amended to read:

(b) Except as otherwise provided in (e) of this section, a buyer, other than a secured party, of tangible chattel paper, tangible documents, goods, instruments, or a **certificated** security [CERTIFICATE] takes free of a security interest or agricultural lien if the buyer gives value and receives delivery of the collateral without knowledge of the security interest or agricultural lien and before it is perfected.

* **Sec. 13.** AS 45.29.317(d) is amended to read:

(d) A licensee of a general intangible or a buyer, other than a secured party, of **collateral** [ACCOUNTS, ELECTRONIC CHATTEL PAPER, ELECTRONIC DOCUMENTS, GENERAL INTANGIBLES, OR INVESTMENT PROPERTY] other than **tangible chattel paper, tangible documents, goods, instruments, or** a certificated security takes free of a security interest if the licensee or buyer gives value without knowledge of the security interest and before it is perfected.

* **Sec. 14.** AS 45.29.326 is amended to read:

Sec. 45.29.326. Priority of security interests created by new debtor. (a) Subject to (b) of this section, a security interest **that is** created by a new debtor **in collateral in which the new debtor has or acquires rights and** that is perfected **solely** by a filed financing statement that **would be ineffective to perfect the security interest but for the application of AS 45.29.316(i)(1) or 45.29.508** [IS EFFECTIVE SOLELY UNDER AS 45.29.508 IN COLLATERAL IN WHICH A NEW DEBTOR HAS OR ACQUIRES RIGHTS] is subordinate to a security interest in the same collateral that is perfected other than by a financing statement **described in this subsection** [THAT IS EFFECTIVE SOLELY UNDER AS 45.29.508].

(b) The other provisions of AS 45.29.301 - 45.29.342 determine the priority among conflicting security interests in the same collateral perfected by filed financing statements **described in (a) of this section** [THAT ARE EFFECTIVE SOLELY

1 UNDER AS 45.29.508]. However, if the security agreements to which a new debtor
 2 became bound as debtor were not entered into by the same original debtor, the
 3 conflicting security interests rank according to priority in time of the new debtor's
 4 having become bound.

5 * **Sec. 15.** AS 45.29.406(e) is amended to read:

6 (e) The provisions of (d) of this section do not apply to the sale of a payment
 7 intangible or promissory note, **other than a sale under a disposition under**
 8 **AS 45.29.610 or an acceptance of collateral under AS 45.29.620.**

9 * **Sec. 16.** AS 45.29.408(b) is amended to read:

10 (b) The provisions of (a) of this section apply to a security interest in a
 11 payment intangible or promissory note only if the security interest arises out of a sale
 12 of the payment intangible or promissory note, **other than a sale under a disposition**
 13 **under AS 45.29.610 or an acceptance of collateral under AS 45.29.620.**

14 * **Sec. 17.** AS 45.29.503(a) is repealed and reenacted to read:

15 (a) A financing statement sufficiently provides the name of the debtor

16 (1) except as otherwise provided in (3) of this subsection, if the debtor
 17 is a registered organization or the collateral is held in a trust that is a registered
 18 organization, only if the financing statement provides the name that is stated to be the
 19 registered organization's name on the public organic record most recently filed with or
 20 issued or enacted by the registered organization's jurisdiction of organization that
 21 purports to state, amend, or restate the registered organization's name;

22 (2) subject to (f) of this section, if the collateral is being administered
 23 by the personal representative of a decedent, only if the financing statement provides,
 24 as the name of the debtor, the name of the decedent and, in a separate part of the
 25 financing statement, indicates that the collateral is being administered by a personal
 26 representative;

27 (3) if the collateral is held in a trust that is not a registered
 28 organization, only if the financing statement

29 (A) provides, as the name of the debtor,

30 (i) if the organic record of the trust specifies a name for
 31 the trust, the name specified; or

(ii) if the organic record of the trust does not specify a name for the trust, the name of the settlor or testator; and
 (B) in a separate part of the financing statement,
 (i) if the name is provided in accordance with (A)(i) of this paragraph, indicates that the collateral is held in a trust; or
 (ii) if the name is provided in accordance with (A)(ii) of this paragraph, provides additional information sufficient to distinguish the trust from other trusts having one or more of the same settlors or the same testator and indicates that the collateral is held in a trust, unless the additional information so indicates;
 (4) if the debtor is an individual, only if the financing statement provides
 (A) the individual name of the debtor;
 (B) the surname and first personal name of the debtor; or
 (C) subject to (g) of this section, the name of the individual that is indicated on an unexpired driver's license that this state has issued to the individual or on an unexpired identification card issued to the individual under AS 18.65.310; and
 (5) in other cases, if the debtor
 (A) has a name, only if the financing statement provides the organizational name of the debtor; and
 (B) does not have a name, only if the financing statement provides the names of the partners, members, associates, or other persons of which the debtor is composed, in a manner that each name provided would be sufficient if the person named were the debtor.

* **Sec. 18.** AS 45.29.503(b) is amended to read:

(b) A financing statement that provides the name of the debtor in accordance with (a) of this section is not rendered ineffective by the absence of
 (1) a trade name or other name of the debtor; or
 (2) unless required under (a)(5)(B) [(a)(4)(B)] of this section, names of partners, members, associates, or other persons of which [COMPRISING] the debtor

1 is composed.

2 * **Sec. 19.** AS 45.29.503 is amended by adding new subsections to read:

3 (f) The name of the decedent indicated on the order appointing the personal
4 representative of the decedent issued by the court having jurisdiction over the
5 collateral is sufficient as the name of the decedent under (a)(2) of this section.

6 (g) If this state has issued to an individual more than one driver's license, more
7 than one identification card under AS 18.65.310, or both an identification card under
8 AS 18.65.310 and a driver's license, the driver's license or identification card that was
9 issued the most recently is the one to which (a)(4)(C) of this section refers.

10 (h) In this section, "name of the settlor or testator" means

11 (1) if the settlor is a registered organization, the name that is stated to
12 be the settlor's name on the public organic record most recently filed with or issued or
13 enacted by the settlor's jurisdiction of organization that purports to state, amend, or
14 restate the settlor's name; or

15 (2) in cases other than those described in (1) of this subsection, the
16 name of the settlor or testator indicated in the trust's organic record.

17 * **Sec. 20.** AS 45.29.507(c) is amended to read:

18 (c) If the [A DEBTOR CHANGES ITS] name that [SUFFICIENTLY TO
19 CAUSE] a filed financing statement **provides for a debtor becomes insufficient as**
20 **the name of the debtor under AS 45.29.503(a) so that the financing statement**
21 **becomes** [TO BECOME] seriously misleading under AS 45.29.506, the financing
22 statement is

23 (1) effective to perfect a security interest in collateral acquired by the
24 debtor before, or within four months after, the **filed financing statement becomes**
25 **seriously misleading** [CHANGE]; and

26 (2) not effective to perfect a security interest in collateral acquired by
27 the debtor more than four months after the **filed financing statement becomes**
28 **seriously misleading**, [CHANGE] unless an amendment to the financing statement
29 that renders the financing statement not seriously misleading is filed within four
30 months after the **financing statement becomes seriously misleading** [CHANGE].

31 * **Sec. 21.** AS 45.29.515(f) is amended to read:

(f) If a debtor is a transmitting utility and a filed financing statement so indicates, the **initial** financing statement is effective until a termination statement is filed.

* **Sec. 22.** AS 45.29.516(b) is amended to read:

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

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

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

(3) the filing office is unable to index the record because, in the case of

(A) an initial financing statement, the record does not provide a name for the debtor;

(B) an amendment or **information** [CORRECTION] statement, the record

(i) does not identify the initial financing statement as required by AS 45.29.512 or 45.29.518, as applicable; or

(ii) identifies an initial financing statement whose effectiveness has lapsed under AS 45.29.515;

(C) an initial financing statement that provides the name of a debtor identified as an individual or an amendment that provides a name of a debtor identified as an individual that was not previously provided in the financing statement to which the record relates, the record does not identify the debtor's **surname** [LAST NAME];

(D) a record filed in the filing office described in AS 45.29.501(a)(1) that relates to real property, the record does not provide a sufficient description of the real property to which it relates; or

(E) a fixture filing or other filing allowed to be filed for record in a filing office described in AS 45.29.501(a)(1), the filing does not provide the name of the debtor and record owner;

(4) in the case of an initial financing statement or an amendment that

1 adds a secured party of record, the record does not provide a name and mailing
2 address for the secured party of record;

3 (5) in the case of an initial financing statement or an amendment that
4 provides a name of a debtor that was not previously provided in the financing
5 statement to which the amendment relates, the record does not

6 (A) provide a mailing address for the debtor; or

7 (B) indicate whether the name provided as the name of the
8 debtor is the name of an individual or an organization; [OR

9 (C) IF THE FINANCING STATEMENT INDICATES THAT
10 THE DEBTOR IS AN ORGANIZATION, PROVIDE

11 (i) A TYPE OF ORGANIZATION FOR THE
12 DEBTOR;

13 (ii) A JURISDICTION OF ORGANIZATION FOR
14 THE DEBTOR; OR

15 (iii) AN ORGANIZATIONAL IDENTIFICATION
16 NUMBER FOR THE DEBTOR OR INDICATE THAT THE
17 DEBTOR DOES NOT HAVE AN ORGANIZATIONAL
18 IDENTIFICATION NUMBER;]

19 (6) in the case of an assignment reflected in an initial financing
20 statement under AS 45.29.514(a) or an amendment filed under AS 45.29.514(b), the
21 record does not provide a name and mailing address for the assignee;

22 (7) in the case of a continuation statement, the record is not filed
23 within the six-month period prescribed by AS 45.29.515(d); or

24 (8) the record is not communicated on a form authorized by filing
25 office regulation.

26 * **Sec. 23.** AS 45.29.518 is amended to read:

27 **Sec. 45.29.518. Claim concerning inaccurate or wrongfully filed record.** (a)

28 A person may file in the filing office an information [A CORRECTION] statement
29 with respect to a record indexed there under the person's name if the person believes
30 that the record is inaccurate or was wrongfully filed.

31 (b) An information [A CORRECTION] statement under (a) of this section

1 must

2 (1) identify the record to which it relates by

3 (A) the file number assigned to the initial financing statement
4 to which the record relates; and

5 (B) if the information [CORRECTION] statement relates to a
6 record filed for record in a filing office described in AS 45.29.501(a)(1), the
7 date that the initial financing statement was filed for record and the
8 information specified in AS 45.29.502(b);

9 (2) indicate that it is an information [A CORRECTION] statement;

10 and

11 (3) provide the basis for the person's belief that the record is inaccurate
12 and indicate the manner in which the person believes the record should be amended to
13 cure the inaccuracy or provide the basis for the person's belief that the record was
14 wrongfully filed.

15 (c) The filing of an information [A CORRECTION] statement does not
16 affect the effectiveness of an initial financing statement or other filed record.

17 * **Sec. 24.** AS 45.29.518 is amended by adding new subsections to read:

18 (d) A person may file in the filing office an information statement with respect
19 to a record filed there if the person is a secured party of record with respect to the
20 financing statement to which the record relates and believes that the person that filed
21 the record was not entitled to file the record under AS 45.29.509(d).

22 (e) An information statement under (d) of this section must

23 (1) identify the record to which it relates

24 (A) by the file number assigned to the initial financing
25 statement to which the record relates; and

26 (B) if the information statement relates to a record filed in a
27 filing office described in AS 45.29.501(a)(1), by the date that the initial
28 financing statement was filed and the information specified in
29 AS 45.29.502(b);

30 (2) indicate that it is an information statement; and

31 (3) provide the basis for the person's belief that the person that filed the

record was not entitled to file the record under AS 45.29.509(d).

* **Sec. 25.** AS 45.29.607(b) is amended to read:

(b) If necessary to enable a secured party to exercise under (a)(3) of this section the right of a debtor to enforce a mortgage nonjudicially, the secured party may record in the office in which the mortgage is recorded

(1) a copy of the security agreement that creates or provides for a security interest in the obligation secured by the mortgage; and

(2) the secured party's sworn affidavit in recordable form stating that

(A) a default has occurred with respect to the obligation secured by the mortgage; and

(B) the secured party is entitled to enforce the mortgage nonjudicially.

* **Sec. 26.** The uncodified law of the State of Alaska is amended by adding a new section to read:

APPLICABILITY. Except as otherwise provided in secs. 27 - 31 of this Act, secs. 3 - 25 of this Act apply to a transaction or lien within the scope of secs. 3 - 25 of this Act, even if the transaction or lien was entered into or created before July 1, 2013.

* **Sec. 27.** The uncodified law of the State of Alaska is amended by adding a new section to read:

TRANSITION: SECURITY INTEREST PERFECTED BEFORE EFFECTIVE DATE. (a) A security interest that is a perfected security interest immediately before July 1, 2013, is a perfected security interest under AS 45.29, as amended by secs. 3 - 25 of this Act, if, immediately before July 1, 2013, the applicable requirements for attachment and perfection under AS 45.29, as amended by secs. 3 - 25 of this Act, are satisfied without further action.

(b) Except as otherwise provided in sec. 29 of this Act, if, immediately before July 1, 2013, a security interest is a perfected security interest, but the applicable requirements for perfection under AS 45.29, as amended by secs. 3 - 25 of this Act, are not satisfied on or before June 30, 2013, the security interest remains perfected on and after July 1, 2013, only if the applicable requirements for perfection under AS 45.29, as amended by secs. 3 - 25 of this Act, are satisfied not later than July 1, 2014.

* **Sec. 28.** The uncodified law of the State of Alaska is amended by adding a new section to

1 read:

2 TRANSITION: SECURITY INTEREST UNPERFECTED BEFORE EFFECTIVE
3 DATE. A security interest that is an unperfected security interest on June 30, 2013, becomes a
4 perfected security interest

5 (1) without further action on July 1, 2013, if the applicable requirements for
6 perfection under AS 45.29, as amended by secs. 3 - 25 of this Act, are satisfied on or before
7 June 30, 2013; or

8 (2) when the applicable requirements for perfection are satisfied if the
9 requirements are satisfied on or after July 1, 2013.

10 * **Sec. 29.** The uncoded law of the State of Alaska is amended by adding a new section to
11 read:

12 TRANSITION: EFFECTIVENESS OF ACTION TAKEN BEFORE EFFECTIVE
13 DATE. (a) The filing of a financing statement before July 1, 2013, is effective to perfect a
14 security interest to the extent the filing would satisfy the applicable requirements for
15 perfection under AS 45.29, as amended by secs. 3 - 25 of this Act.

16 (b) Sections 3 - 25 of this Act do not render ineffective an effective financing
17 statement that, before July 1, 2013, is filed and satisfies the applicable requirements for
18 perfection under the law of the jurisdiction governing perfection as provided in AS 45.29, as it
19 existed before being amended by secs. 3 - 25 of this Act. However, except as otherwise
20 provided in (c) and (d) of this section and sec. 30 of this Act, the financing statement ceases to
21 be effective

22 (1) if the financing statement is filed in this state, at the time the financing
23 statement would have ceased to be effective had secs. 3 - 25 of this Act not taken effect; or

24 (2) if the financing statement is filed in another jurisdiction, at the earlier of

25 (A) the time the financing statement would have ceased to be effective
26 under the law of that jurisdiction; or

27 (B) June 30, 2018.

28 (c) The filing of a continuation statement on or after July 1, 2013, does not continue
29 the effectiveness of a financing statement filed before July 1, 2013. However, upon the timely
30 filing of a continuation statement on or after July 1, 2013, and in accordance with the law of
31 the jurisdiction governing perfection as provided in AS 45.29, as amended by secs. 3 - 25 of

1 this Act, the effectiveness of a financing statement filed in the same office in that jurisdiction
2 before July 1, 2013, continues for the period provided by the law of that jurisdiction.

3 (d) The provisions of (b)(2)(B) of this section apply to a financing statement that,
4 before July 1, 2013, is filed against a transmitting utility and satisfies the applicable
5 requirements for perfection under the law of the jurisdiction governing perfection as provided
6 in AS 45.29, as it existed before being amended by secs. 3 - 25 of this Act, only to the extent
7 that AS 45.29, as amended by secs. 3 - 25 of this Act, provides that the law of a jurisdiction
8 other than the jurisdiction in which the financing statement is filed governs perfection of a
9 security interest in collateral covered by the financing statement.

10 (e) A financing statement that includes a financing statement filed before July 1,
11 2013, and a continuation statement filed on or after July 1, 2013, is effective only to the extent
12 that it satisfies the requirements of AS 45.29.503(a), as repealed and reenacted by sec. 17 of
13 this Act, AS 45.29.503(b), as amended by sec. 18 of this Act, AS 45.29.503(f) - (h), added by
14 sec. 19 of this Act, AS 45.29.507(c), as amended by sec. 20 of this Act, AS 45.29.515(f), as
15 amended by sec. 21 of this Act, AS 45.29.516(b), as amended by sec. 22 of this Act,
16 AS 45.29.518, as amended by sec. 23 of this Act, and AS 45.29.518(d) and (e), added by sec.
17 24 of this Act, for an initial financing statement. If a financing statement indicates that the
18 debtor is a decedent's estate, the financing statement indicates that the collateral is being
19 administered by a personal representative within the meaning of AS 45.29.503(a)(2), as
20 repealed and reenacted by sec. 17 of this Act. If a financing statement indicates that the debtor
21 is a trust or is a trustee acting with respect to property held in trust, the financing statement
22 indicates that the collateral is held in a trust within the meaning of AS 45.29.503(a)(3), as
23 repealed and reenacted by sec. 17 of this Act.

24 * **Sec. 30.** The uncoded law of the State of Alaska is amended by adding a new section to
25 read:

26 TRANSITION: WHEN INITIAL FINANCING STATEMENT SUFFICES TO
27 CONTINUE EFFECTIVENESS OF FINANCING STATEMENT. (a) The filing of an initial
28 financing statement in the office specified in AS 45.29.501 continues the effectiveness of a
29 financing statement filed before July 1, 2013, if

30 (1) the filing of an initial financing statement in that office would be effective
31 to perfect a security interest under AS 45.29, as amended by secs. 3 - 25 of this Act;

(2) the financing statement filed before July 1, 2013, was filed in an office in another state; and

(3) the initial financing statement satisfies (c) of this section.

(b) The filing of an initial financing statement under (a) of this section continues the effectiveness of the financing statement filed before July 1, 2013,

(1) if the initial financing statement is filed before July 1, 2013, for the period provided in AS 45.29.515, as that section existed before July 1, 2013, with respect to an initial financing statement; and

(2) if the initial financing statement is filed on or after July 1, 2013, for the period provided in AS 45.29.515, as that section existed before July 1, 2013, with respect to an initial financing statement.

(c) To be effective for purposes of (a) of this section, an initial financing statement must

(1) satisfy the requirements of AS 45.29.503(a), as repealed and reenacted by sec. 17 of this Act, AS 45.29.503(b), as amended by sec. 18 of this Act, AS 45.29.503(f) - (h), added by sec. 19 of this Act, AS 45.29.507(c), as amended by sec. 20 of this Act, AS 45.29.515(f), as amended by sec. 21 of this Act, AS 45.29.516(b), as amended by sec. 22 of this Act, AS 45.29.518, as amended by sec. 23 of this Act, and AS 45.29.518(d) and (e), added by sec. 24 of this Act, for an initial financing statement;

(2) identify the financing statement filed before July 1, 2013, by indicating the office in which the financing statement was filed and providing the dates of filing and file numbers, if any, of the financing statement and of the most recent continuation statement filed with respect to the financing statement; and

(3) indicate that the financing statement filed before July 1, 2013, remains effective.

*** Sec. 31.** The uncodified law of the State of Alaska is amended by adding a new section to read:

TRANSITION: AMENDMENT OF PRE-EFFECTIVE-DATE FINANCING STATEMENT. (a) After July 1, 2013, a person may add or delete collateral covered by, continue or terminate the effectiveness of, or otherwise amend the information provided in a pre-effective-date financing statement only in accordance with the law of the jurisdiction

governing perfection as provided in AS 45.29, as amended by secs. 3 - 25 of this Act. However, the effectiveness of a pre-effective-date financing statement may also be terminated in accordance with the law of the jurisdiction in which the financing statement is filed.

(b) Except as otherwise provided in (d) of this section, if the law of this state governs perfection of a security interest, the information in a pre-effective-date financing statement may be amended after July 1, 2013, only if

(1) the pre-effective-date financing statement and an amendment are filed in the office specified in AS 45.29.501;

(2) an amendment is filed in the office specified in AS 45.29.501 concurrently with, or after the filing in that office of, an initial financing statement that satisfies sec. 30(c) of this Act; or

(3) an initial financing statement that provides the information as amended and satisfies sec. 30(c) of this Act is filed in the office specified in AS 45.29.501.

(c) If the law of this state governs perfection of a security interest, the effectiveness of a pre-effective-date financing statement may be continued only under secs. 29(c) and (e) or 30 of this Act.

(d) Whether or not the law of this state governs perfection of a security interest, the effectiveness of a pre-effective-date financing statement filed in this state may be terminated on or after July 1, 2013, by filing a termination statement in the office in which the pre-effective-date financing statement is filed, unless an initial financing statement that satisfies sec. 30(c) of this Act has been filed in the office specified by the law of the jurisdiction governing perfection as provided in AS 45.29, as amended by secs. 3 - 25 of this Act, as the office in which to file a financing statement.

(e) In this section, "pre-effective-date financing statement" means a financing statement filed before July 1, 2013.

* **Sec. 32.** The uncodified law of the State of Alaska is amended by adding a new section to read:

TRANSITION: PERSON ENTITLED TO FILE INITIAL FINANCING STATEMENT OR CONTINUATION STATEMENT. A person may file an initial financing statement or a continuation statement under secs. 26 - 33 of this Act if

(1) the secured party of record authorizes the filing; and

(2) the filing is necessary under secs. 26 - 33 of this Act

(A) to continue the effectiveness of a financing statement filed before July 1, 2013; or

(B) to perfect or continue the perfection of a security interest.

*** Sec. 33.** The uncodified law of the State of Alaska is amended by adding a new section to read:

TRANSITION: PRIORITY. Sections 3 - 32 of this Act determine the priority of conflicting claims to collateral. However, if the relative priorities of the claims were established before July 1, 2013, AS 45.29, as it existed before being amended by secs. 3 - 25 of this Act, determines priority.

*** Sec. 34.** The uncodified law of the State of Alaska is amended by adding a new section to read:

INSTRUCTIONS TO DEPARTMENT OF NATURAL RESOURCES. (a) The Department of Natural Resources shall adopt, amend, or repeal regulations to implement the changes made by secs. 3 - 25 of this Act and this section. The regulations take effect under AS 44.62 (Administrative Procedure Act), but not before July 1, 2013.

(b) On and after July 1, 2013, the following forms that the Department of Natural Resources provides for filing under AS 45.29, as amended by secs. 3 - 25 of this Act, must be identical to the forms that were adopted by the American Law Institute and the National Conference of Commissioners on Uniform State Laws and with the amendments made by secs. 3 - 25 of this Act:

- (1) UCC Financing Statement;
- (2) UCC Financing Statement Addendum;
- (3) UCC Financing Statement Amendment; and
- (4) UCC Financing Statement Amendment Addendum.

*** Sec. 35.** The uncodified law of the State of Alaska is amended by adding a new section to read:

SAVING CLAUSE. Sections 3 - 34 of this Act do not affect an action, case, or proceeding commenced before July 1, 2013.

*** Sec. 36.** Section 34 of this Act takes effect immediately under AS 01.10.070(c).

*** Sec. 37.** Except as provided in sec. 36 of this Act, this Act takes effect July 1, 2013.