

(LIMITED RUN SHOWING ALL ADDITIONAL SPONSORSHIPS)

**HOUSE BILL NO. 9**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-EIGHTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVES GRUENBERG, Kerttula, Olson, Holmes, Tuck, Pruitt, Kreiss-Tomkins, Tarr

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6 \* **Sec. 3.** AS 45.29.102(a)(8) is repealed and reenacted to read: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

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

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

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

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

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

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

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

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

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

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

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

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

29 (2) AS 28.10; however, during a period in which collateral is inventory  
30 held for sale by a person who is in the business of selling goods of that kind, the filing  
31 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

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

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

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

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

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

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

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

29 (b) The other provisions of AS 45.29.301 - 45.29.342 determine the priority  
 30 among conflicting security interests in the same collateral perfected by filed financing  
 31 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

1 (ii) if the organic record of the trust does not specify a  
2 name for the trust, the name of the settlor or testator; and

3 (B) in a separate part of the financing statement,

4 (i) if the name is provided in accordance with (A)(i) of  
5 this paragraph, indicates that the collateral is held in a trust; or

6 (ii) if the name is provided in accordance with (A)(ii) of  
7 this paragraph, provides additional information sufficient to distinguish  
8 the trust from other trusts having one or more of the same settlors or the  
9 same testator and indicates that the collateral is held in a trust, unless  
10 the additional information so indicates;

11 (4) if the debtor is an individual, only if the financing statement  
12 provides

13 (A) the individual name of the debtor;

14 (B) the surname and first personal name of the debtor; or

15 (C) subject to (g) of this section, the name of the individual that  
16 is indicated on an unexpired driver's license that this state has issued to the  
17 individual or on an unexpired identification card issued to the individual under  
18 AS 18.65.310; and

19 (5) in other cases, if the debtor

20 (A) has a name, only if the financing statement provides the  
21 organizational name of the debtor; and

22 (B) does not have a name, only if the financing statement  
23 provides the names of the partners, members, associates, or other persons of  
24 which the debtor is composed, in a manner that each name provided would be  
25 sufficient if the person named were the debtor.

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

27 (b) A financing statement that provides the name of the debtor in accordance  
28 with (a) of this section is not rendered ineffective by the absence of

29 (1) a trade name or other name of the debtor; or

30 (2) unless required under (a)(5)(B) [(a)(4)(B)] of this section, names of  
31 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:

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

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

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

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

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

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

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

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

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

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

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

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

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

31 (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

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

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

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

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

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

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

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

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

15 APPLICABILITY. Except as otherwise provided in secs. 27 - 31 of this Act, secs. 3 -  
16 25 of this Act apply to a transaction or lien within the scope of secs. 3 - 25 of this Act, even if  
17 the transaction or lien was entered into or created before July 1, 2013.

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

20 TRANSITION: SECURITY INTEREST PERFECTED BEFORE EFFECTIVE  
21 DATE. (a) A security interest that is a perfected security interest immediately before July 1,  
22 2013, is a perfected security interest under AS 45.29, as amended by secs. 3 - 25 of this Act,  
23 if, immediately before July 1, 2013, the applicable requirements for attachment and perfection  
24 under AS 45.29, as amended by secs. 3 - 25 of this Act, are satisfied without further action.

25 (b) Except as otherwise provided in sec. 29 of this Act, if, immediately before July 1,  
26 2013, a security interest is a perfected security interest, but the applicable requirements for  
27 perfection under AS 45.29, as amended by secs. 3 - 25 of this Act, are not satisfied on or  
28 before June 30, 2013, the security interest remains perfected on and after July 1, 2013, only if  
29 the applicable requirements for perfection under AS 45.29, as amended by secs. 3 - 25 of this  
30 Act, are satisfied not later than July 1, 2014.

31 \* **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 uncodified 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 uncodified 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;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- 22 (1) UCC Financing Statement;  
23 (2) UCC Financing Statement Addendum;  
24 (3) UCC Financing Statement Amendment; and  
25 (4) UCC Financing Statement Amendment Addendum.

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

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

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

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