

By: Representative Watson

To: Judiciary A

HOUSE BILL NO. 1662

1 AN ACT TO AMEND SECTIONS 75-9-701, 75-9-705 AND 75-9-710,
2 MISSISSIPPI CODE OF 1972, TO CONFORM THE TRANSITION DATES FOR THE
3 CONVERSION FROM UNIFORM COMMERCIAL CODE FORMER ARTICLE 9 TO
4 REVISED ARTICLE 9 TO THE JANUARY 1, 2002, EFFECTIVE DATE; AND FOR
5 RELATED PURPOSES.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

7 **SECTION 1.** Section 75-9-701, Mississippi Code of 1972, is
8 amended as follows:

9 75-9-701. (1) References in Part 7 to "this act" refer to
10 the legislative enactment by which this part is added to Article 9
11 of the Uniform Commercial Code.

12 (2) References in this part to "former Article 9" are to
13 Article 9 found in Chapter 9 of Title 75 as in effect on December
14 31, 2001.

15 **SECTION 2.** Section 75-9-705, Mississippi Code of 1972, is
16 amended as follows:

17 75-9-705. (a) If action, other than the filing of a
18 financing statement, is taken before this act takes effect and the
19 action would have resulted in priority of a security interest over
20 the rights of a person that becomes a lien creditor had the
21 security interest become enforceable before this act takes effect,
22 the action is effective to perfect a security interest that
23 attaches under this act within one (1) year after this act takes
24 effect. An attached security interest becomes unperfected one (1)
25 year after this act takes effect unless the security interest
26 becomes a perfected security interest under this act before the
27 expiration of that period.



28 (b) The filing of a financing statement before this act
29 takes effect is effective to perfect a security interest to the
30 extent the filing would satisfy the applicable requirements for
31 perfection under this act.

32 (c) This act does not render ineffective an effective
33 financing statement that, before this act takes effect, is filed
34 and satisfies the applicable requirements for perfection under the
35 law of the jurisdiction governing perfection as provided in former
36 Section 75-9-103. However, except as otherwise provided in
37 subsections (d) and (e) and Section 75-9-706, the financing
38 statement ceases to be effective at the earlier of:

39 (1) The time the financing statement would have ceased
40 to be effective under the law of the jurisdiction in which it is
41 filed; or

42 (2) December 31, 2006.

43 (d) The filing of a continuation statement after this act
44 takes effect does not continue the effectiveness of the financing
45 statement filed before this act takes effect. However, upon the
46 timely filing of a continuation statement after this act takes
47 effect and in accordance with the law of the jurisdiction
48 governing perfection as provided in Part 3, the effectiveness of a
49 financing statement filed in the same office in that jurisdiction
50 before this act takes effect continues for the period provided by
51 the law of that jurisdiction.

52 (e) Subsection (c)(2) applies to a financing statement that,
53 before this act takes effect, is filed against a transmitting
54 utility and satisfies the applicable requirements for perfection
55 under the law of the jurisdiction governing perfection as provided
56 in former Section 75-9-103 only to the extent that Part 3 provides
57 that the law of a jurisdiction other than the jurisdiction in
58 which the financing statement is filed governs perfection of a
59 security interest in collateral covered by the financing
60 statement.



61 (f) A financing statement that includes a financing
62 statement filed before this act takes effect and a continuation
63 statement filed after this act takes effect is effective only to
64 the extent that it satisfies the requirements of Part 5 for an
65 initial financing statement.

66 **SECTION 3.** Section 75-9-710, Mississippi Code of 1972, is
67 amended as follows:

68 75-9-710. (a) In this section:

69 (1) "Local-filing office" means a filing office, other
70 than the statewide central filing office identified in Section
71 75-9-401(1) of former Article 9, that is designated as the proper
72 place to file a financing statement under Section 75-9-401(1) of
73 former Article 9. The term applies only with respect to a record
74 that covers a type of collateral as to which the filing office is
75 designated in that section as the proper place to file.

76 (2) "Former-Article-9 records" means:

77 (A) Financing statements and other records that
78 have been filed in a local-filing office before January 1, 2002,
79 and that are, or upon processing and indexing will be, reflected
80 in the index maintained, as of December 31, 2001, by the
81 local-filing office for financing statements and other records
82 filed in the local-filing office before January 1, 2002, and

83 (B) The index as of December 31, 2001.

84 The term does not include records presented to a local-filing
85 office for filing after December 31, 2001, whether or not the
86 records relate to financing statements filed in the local-filing
87 office before January 1, 2002.

88 (3) "Mortgage," "as-extracted collateral," "fixture
89 filing," "goods" and "fixtures" have the meanings set forth in
90 Revised Article 9 for those terms.

91 (b) Except as expressly provided in Part 5 of Article 9 as
92 effective on and after January 1, 2002, a local-filing office must
93 not accept for filing a record presented after December 31, 2001,



94 whether or not the record relates to a financing statement filed
95 in the local-filing office before January 1, 2002.

96 (c) Until January 1, 2009, each local-filing office must
97 maintain all former-Article-9 records in accordance with former
98 Article 9. A former-Article-9 record that is not reflected on the
99 index maintained at December 31, 2001, by the local-filing office
100 must be processed and indexed, and reflected on the index as of
101 December 31, 2001, as soon as practicable but in any event no
102 later than January 31, 2002.

103 (d) Until at least December 31, 2008, each local-filing
104 office must respond to requests for information with respect to
105 former-Article-9 records relating to a debtor and issue
106 certificates in accordance with former Article 9.

107 (1) Upon request in writing of any person, the filing
108 officer shall issue his certificate showing whether there is on
109 file, on the date and hour stated therein, any presently effective
110 financing statements naming a particular debtor thereof, and if
111 there is, giving the date and hour of filing and file number of
112 each such financing statement and the name and address of each
113 secured party or his assignee therein. Each such request shall be
114 accompanied by a search fee of Five Dollars (\$5.00) if the request
115 is made on the standard form prescribed by the Secretary of State,
116 and otherwise it shall be Ten Dollars (\$10.00). An additional fee
117 of Two Dollars (\$2.00) shall be paid by the requesting party for
118 each financing statement listed on the filing officer's
119 certificate, the aggregate of which shall be billed to the
120 requesting party at the time the filing officer's certificate is
121 issued. Failure to pay the additional fee by any requesting party
122 when due may result in denial of further service to the requesting
123 party until the amount due has been paid.

124 (2) Upon request, the filing officer shall furnish a
125 copy of any presently effective financing statements on file for a
126 uniform fee of Two Dollars (\$2.00) per page naming a particular



127 debtor when the request is made on the form and in the manner
128 hereinbefore provided for listing the same.

129 (e) After December 31, 2008, each local-filing office may
130 remove and destroy, in accordance with any then applicable record
131 retention law of this state, all former-Article-9 records,
132 including the related index.

133 (f) This section does not apply, with respect to financing
134 statements and other records, to a filing office in which
135 mortgages or records of mortgages on real property are required to
136 be filed or recorded, if:

137 (1) The collateral is timber to be cut or as-extracted
138 collateral, or

139 (2) The record is or relates to a financing statement
140 filed as a fixture filing and the collateral is goods that are or
141 are to become fixtures.

142 **SECTION 4.** This act shall take effect and be in force from
143 and after July 1, 2002.

