

LEGISLATIVE BILL 751

Approved by the Governor March 3, 2010

Introduced by Pahls, 31; Langemeier, 23.

FOR AN ACT relating to secured transactions; to amend section 9-506, Uniform Commercial Code, Revised Statutes Supplement, 2009; to change provisions relating to the effects of errors and omissions in financing statements; to repeal the original section; and to declare an emergency.

Be it enacted by the people of the State of Nebraska,

Section 1. Section 9-506, Uniform Commercial Code, Revised Statutes Supplement, 2009, is amended to read:

9-506 Effect of errors or omissions.

~~(a)(i) This subsection applies until September 2, 2010. (a) A~~ financing statement substantially satisfying the requirements of this part is effective, even if it has minor errors or omissions, unless the errors or omissions make the financing statement seriously misleading.

~~(ii) (b) Except as otherwise provided in subdivision (iii) subsection (c) of this subsection, section, a~~ financing statement that fails sufficiently to provide the name of the debtor in accordance with section 9-503(a) is seriously misleading.

~~(iii) (c) If a search of the records of the filing office under the debtor's correct name, using the filing office's standard search logic, if any, would disclose a financing statement that fails sufficiently to provide the name of the debtor in accordance with section 9-503(a), the name provided does not make the financing statement seriously misleading.~~

~~(iv) (d) For purposes of section 9-508(b), the "debtor's correct name" in subdivision (iii) subsection (c) of this subsection section means the correct name of the new debtor.~~

~~(b)(i) This subsection applies beginning on September 2, 2010. A~~ financing statement substantially satisfying the requirements of this part is effective, even if it has minor errors or omissions, unless the errors or omissions make the financing statement seriously misleading.

~~(ii) Except as otherwise provided in subdivision (iii) of this subsection, a financing statement that fails sufficiently to provide the name of the debtor in accordance with section 9-503(a) is seriously misleading.~~

~~(iii) If a search of the records of the filing office under the debtor's correct name, or, in the case of a debtor who is an individual, the debtor's correct last name, using the filing office's standard search logic, if any, would disclose a financing statement that fails sufficiently to provide the name of the debtor in accordance with section 9-503(a), the name provided does not make the financing statement seriously misleading.~~

~~(iv) For purposes of section 9-508(b), the "debtor's correct name" in subdivision (iii) of this subsection means the correct name of the new debtor.~~

Sec. 2. Original section 9-506, Uniform Commercial Code, Revised Statutes Supplement, 2009, is repealed.

Sec. 3. Since an emergency exists, this act takes effect when passed and approved according to law.