GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2005

HOUSE BILL 1977*

Short Title:	Amend Transition Provisions Article 9/UCC.	(Public)
Sponsors:	Representative Ross.	
Referred to:	Judiciary I.	

May 16, 2006

1			A BILL TO BE ENTITLED		
2	AN ACT	Γ ΤΟ Α	AMEND THE TRANSITION PROVISIONS OF ARTICLE 9 OF THE		
3	UNIF	FORM	COMMERCIAL CODE TO RESOLVE A TIME-SENSITIVE		
4	PRO	BLEM	REGARDING THE EFFECTIVENESS OF CERTAIN FINANCING		
5	STA	remei	NTS, AS RECOMMENDED BY THE GENERAL STATUTES		
6	COM	[MISS]	ION.		
7	The Gen	eral As	sembly of North Carolina enacts:		
8		SEC"	TION 1. G.S. 25-9-705 reads as rewritten:		
9	"§ 25-9-7	705. E	ffectiveness of action taken before effective date.		
10	•••				
11	(c)		ffective-date filing in jurisdiction formerly governing perfection. – This		
12			der ineffective an effective financing statement that, before July 1, 2001,		
13			isfies the applicable requirements for perfection under the law of the		
14	J U U I				
15			pt as otherwise provided in subsections (d) and (e)(d), (e), and (g) of this		
16		ind G.S	S. 25-9-706, the financing statement ceases to be effective at the earlier		
17	of:				
18		(1)	The time the financing statement would have ceased to be effective		
19			under the law of the jurisdiction in which it is filed; or		
20		(2)	June 30, 2006.		
21	•••				
22	<u>(g)</u>		blicability of subdivision (c)(2) to certain financing statements With		
23	respect to		fective financing statement that:		
24		<u>(1)</u>	Before July 1, 2001, was filed and satisfied the applicable		
25			requirements for perfection under the law of the jurisdiction governing		
26			perfection as provided in G.S. 25-9-103 of former Article 9,		
27		<u>(2)</u>	Would satisfy the applicable requirements for perfection under this act,		
28			and		

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General Assembly of North Carolina Session 2005 Was properly continued before July 1, 2001, such that the 1 (3) effectiveness of the financing statement would lapse after June 30, 2 3 2006, but before January 1, 2007, but for subdivision (c)(2) of this 4 section, 5 subdivision (c)(2) of this section shall not apply to the financing statement and the filing 6 of a continuation statement with respect to the financing statement is timely if the filing of the continuation statement occurs before the financing statement ceases to be 7 effective and not before the earlier of (i) December 30, 2005, or (ii) six months before 8 9 the effectiveness of the financing statement would lapse." 10 **SECTION 2.** Nothing in this act renders ineffective a continuation statement that was filed and effective before the effective date of this act. 11 12 **SECTION 3.** This act becomes effective June 30, 2006, or when it becomes 13 law, whichever is earlier.