

February 27, 2001

**S 257. UCC ARTICLE 9 AMENDMENTS. TO REVISE ARTICLE 9 OF THE UNIFORM COMMERCIAL CODE TO GIVE THE SECRETARY OF STATE THE AUTHORITY TO PREVENT FRAUDULENT FILINGS AGAINST PUBLIC EMPLOYEES OR OFFICIALS.** Amends GS 25-9-516(b) to add a new subsection permitting the Sec'y of State to refuse a filing identifying a debtor who is a government employee if the record is not related to a security agreement that is valid on its face or is otherwise intended for an improper purpose. Amends GS 25-9-518 to provide a procedure for the Sec'y of State to cancel wrongfully filed records, based on a filed correction statement certifying under oath that a filing should have been refused under the new improper purpose provision. Amends GS 25-9-520 to provide appeals to Wake County Superior Court from refusals to file or cancellations. Effective Oct. 1, 2001, and applicable to documents filed after that date.

**Intro. by Hartsell.**

Ref. to Judiciary I	GS 25
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March 29, 2001

**S 257. UCC ARTICLE 9 AMENDMENTS.** Intro. 2/27/01. Senate committee substitute makes the following changes to 1st edition. Changes title to *AN ACT TO AMEND ARTICLE 9 OF THE UNIFORM COMMERCIAL CODE TO GIVE THE SECRETARY OF STATE THE AUTHORITY TO PREVENT FRAUDULENT FILES AND TO MAKE CLARIFYING CHANGES*. Rewrites proposed GS 25-9-516(b) to provide that the Sec'y of State may refuse to file a record presented for filing if he or she determines that the record is not created pursuant to GS Ch. 25 or is otherwise intended for an improper purpose (such as, to hinder, harass, or otherwise wrongfully interfere with any person). Adds provision to proposed GS 25-9-518(b1) authorizing Sec'y of State to require a person filing a correction statement and the secured party to provide any additional relevant information needed to determine whether a record was wrongfully filed and should have been rejected under new GS 25-9-516(b)(8). Makes GS 25-9-520 applicable to cancellation of records under new GS 25-9-516(b)(8). Adds new GS 14-401.19. makes it a Class 2 misdemeanor to present a record for filing under Art. 9 of GS Ch. 25 with knowledge that the record is not related to a valid security agreement or with the intention that the record be filed for an improper purpose. Adds provisions clarifying GS 25-9-707 and 710 as recommended by the General Statutes Comm'n. Enactment of new GS 14-401.19 is effective Dec. 1, 2001, and applies to offenses committed on or after that date. Remainder of act is effective July 1, 2001 (was, Oct. 1, 2001).

May 29, 2001

**S 257. UCC ARTICLE 9 AMENDMENTS.** Intro. 2/27/01. House committee substitute makes the following changes to 2nd edition. Makes technical changes only.

June 26, 2001

**SL 2001-231 (S 257). UCC ARTICLE 9 AMENDMENTS. AN ACT TO AMEND ARTICLE 9 OF THE UNIFORM COMMERCIAL CODE TO GIVE THE SECRETARY OF STATE THE AUTHORITY TO PREVENT FRAUDULENT FILINGS AND TO MAKE CLARIFYING CHANGES.** Summarized in *Daily Bulletin* 2/27/01, 3/29/01, and 5/29/01. Enacted June 21, 2001. Section 5 becomes effective Dec. 1, 2001, and applies to documents presented for filing on or after that date. The remainder of this act becomes effective July 1, 2001. Sections 1-4 apply to documents filed on or after July 1, 2001.