

LEGISLATURE OF NEBRASKA

ONE HUNDRED SECOND LEGISLATURE

SECOND SESSION

**LEGISLATIVE BILL 1031**

Introduced by Harr, 8.

Read first time January 17, 2012

Committee: Banking, Commerce and Insurance

A BILL

1 FOR AN ACT relating to secured transactions; to amend section 9-503,  
2 Uniform Commercial Code, Revised Statutes Supplement,  
3 2011; to change provisions relating to name of debtor; to  
4 provide an operative date; and to repeal the original  
5 section.  
6 Be it enacted by the people of the State of Nebraska,

1                   Section 1. Section 9-503, Uniform Commercial Code,  
2 Revised Statutes Supplement, 2011, is amended to read:

3                   9-503 Name of debtor and secured party.

4                   (a) A financing statement sufficiently provides the name  
5 of the debtor:

6                   (1) except as otherwise provided in subdivision (3), if  
7 the debtor is a registered organization or the collateral is held in  
8 a trust that is a registered organization, only if the financing  
9 statement provides the name that is stated to be the registered  
10 organization's name on the public organic record most recently filed  
11 with or issued or enacted by the registered organization's  
12 jurisdiction of organization which purports to state, amend, or  
13 restate the registered organization's name;

14                   (2) subject to subsection (f), if the collateral is being  
15 administered by the personal representative of a decedent, only if  
16 the financing statement provides, as the name of the debtor, the name  
17 of the decedent and, in a separate part of the financing statement,  
18 indicates that the collateral is being administered by a personal  
19 representative;

20                   (3) if the collateral is held in a trust that is not a  
21 registered organization, only if the financing statement:

22                   (A) provides, as the name of the debtor:

23                   (i) if the organic record of the trust specifies a name  
24 for the trust, the name specified; or

25                   (ii) if the organic record of the trust does not specify

1 a name for the trust, the name of the settlor or testator; and

2 (B) in a separate part of the financing statement:

3 (i) if the name is provided in accordance with  
4 subdivision (A)(i), indicates that the collateral is held in a trust;

5 or

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

11 (4) subject to subsection (g), if the debtor is an  
12 individual to whom ~~this state~~ the Department of Motor Vehicles has  
13 issued a driver's license or state identification card that has not  
14 expired, only if the financing statement provides the name of the  
15 individual which is indicated on the driver's license or state  
16 identification card;

17 (5) if the debtor is an individual to whom subdivision  
18 (4) does not apply, only if the financing statement provides the  
19 individual name of the debtor or the surname and first personal name  
20 of the debtor; and

21 (6) in other cases:

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

24 (B) if the debtor does not have a name, only if it  
25 provides the names of the partners, members, associates, or other

1 persons comprising the debtor, in a manner that each name provided  
2 would be sufficient if the person named were the debtor.

3 (b) A financing statement that provides the name of the  
4 debtor in accordance with subsection (a) is not rendered ineffective  
5 by the absence of:

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

7 (2) unless required under subdivision (a)(6)(B), names of  
8 partners, members, associates, or other persons comprising the  
9 debtor.

10 (c) A financing statement that provides only the debtor's  
11 trade name does not sufficiently provide the name of the debtor.

12 (d) Failure to indicate the representative capacity of a  
13 secured party or representative of a secured party does not affect  
14 the sufficiency of a financing statement.

15 (e) A financing statement may provide the name of more  
16 than one debtor and the name of more than one secured party.

17 (f) The name of the decedent indicated on the order  
18 appointing the personal representative of the decedent issued by the  
19 court having jurisdiction over the collateral is sufficient as the  
20 "name of the decedent" under subsection (a)(2).

21 (g) If ~~this state~~ the Department of Motor Vehicles has  
22 issued to an individual more than one driver's license or state  
23 identification card of a kind described in subsection (a)(4), the one  
24 that was issued most recently is the one to which subsection (a)(4)  
25 refers.

1                   (h) In this section, the "name of the settlor or  
2   testator" means:

3                   (1) if the settlor is a registered organization, the name  
4   that is stated to be the settlor's name on the public organic record  
5   most recently filed with or issued or enacted by the settlor's  
6   jurisdiction of organization which purports to state, amend, or  
7   restate the settlor's name; or

8                   (2) in other cases, the name of the settlor or testator  
9   indicated in the trust's organic record.

10                   Sec. 2. This act becomes operative on July 1, 2013.

11                   Sec. 3. Original section 9-503, Uniform Commercial Code,  
12   Revised Statutes Supplement, 2011, is repealed.