

HOUSE BILL NO. 321
INTRODUCED BY SPAETH

IN THE HOUSE

JANUARY 20, 1989	INTRODUCED AND REFERRED TO COMMITTEE ON BUSINESS & ECONOMIC DEVELOPMENT.
JANUARY 21, 1989	FIRST READING.
FEBRUARY 1, 1989	COMMITTEE RECOMMEND BILL DO PASS. REPORT ADOPTED.
FEBRUARY 2, 1989	PRINTING REPORT.
FEBRUARY 3, 1989	SECOND READING, DO PASS.
FEBRUARY 4, 1989	ENGROSSING REPORT.
FEBRUARY 6, 1989	THIRD READING, PASSED. AYES, 94; NOES, 3.
	TRANSMITTED TO SENATE.

IN THE SENATE

FEBRUARY 7, 1989	INTRODUCED AND REFERRED TO COMMITTEE ON BUSINESS & INDUSTRY.
	FIRST READING.
MARCH 8, 1989	COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.
MARCH 9, 1989	SECOND READING, CONCURRED IN.
MARCH 11, 1989	THIRD READING, CONCURRED IN. AYES, 41; NOES, 3.
	RETURNED TO HOUSE.

MARCH 11, 1989

IN THE HOUSE

RECEIVED FROM SENATE.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

1 House BILL NO. 321
2 INTRODUCED BY Spaeth
3
4 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING UNIFORM
5 COMMERCIAL CODE FINANCING STATEMENTS TO INCLUDE THE SOCIAL
6 SECURITY NUMBER OR TAX IDENTIFICATION NUMBER OF THE DEBTOR;
7 AND AMENDING SECTION 30-9-402, MCA."

8
9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10 **Section 1.** Section 30-9-402, MCA, is amended to read:

11 "30-9-402. Formal requisites of financing statement --
12 amendments -- mortgage as financing statement. (1) A
13 financing statement is sufficient if it gives the names of
14 the debtor and the secured party, is signed by the debtor,
15 gives an address of the secured party from which information
16 concerning the security interest may be obtained, gives a
17 mailing address and the county of residence of the debtor,
18 and contains a statement indicating the types or describing
19 the items of collateral. A financing statement may be filed
20 before a security agreement is made or a security interest
21 otherwise attaches. Except for financing statements filed
22 pursuant to 30-9-409 when the financing statement covers
23 crops growing or to be grown, the statement must also
24 contain a description of the real estate concerned. When the
25 financing statement covers timber to be cut or covers

1 minerals or the like (including oil and gas) or accounts
2 subject to 30-9-103(5), or when the financing statement is
3 filed as a fixture filing (30-9-313) and the collateral is
4 goods which are or are to become fixtures, the statement
5 must also comply with subsection (5). A copy of the security
6 agreement is sufficient as a financing statement if it
7 contains the above information and is signed by the debtor.

8 (2) A financing statement which otherwise complies
9 with subsection (1) is sufficient when it is signed by the
10 secured party instead of the debtor if it is filed to
11 perfect a security interest in:

12 (a) collateral already subject to a security interest
13 in another jurisdiction when it is brought into this state,
14 or when the debtor's location is changed to this state. Such
15 a financing statement must state that the collateral was
16 brought into this state or that the debtor's location was
17 changed to this state under such circumstances.

18 (b) proceeds under 30-9-306 if the security interest
19 in the original collateral was perfected. Such a financing
20 statement must describe the original collateral.

21 (c) collateral as to which the filing has lapsed; or

22 (d) collateral acquired after a change of name,
23 identity, or corporate structure of the debtor (subsection
24 (7)).

25 (3) A form substantially as follows is sufficient to

1 comply with subsection (1):

2 Name of debtor (or assignor)

3 Social security number or tax identification number....

4 Address

5 County of residence

6 Name of secured party (or assignee)

7 Address

8 1. This financing statement covers the following types
9 (or items) of property:

10 (Describe)

11 2. (If collateral is crops) The above described crops
12 are growing or are to be grown on:

13 (Describe Real Estate)

14 3. (If applicable) The above goods are to become
15 fixtures on:

16 (Describe Real Estate)

17 and this financing statement is to be filed in the real
18 estate record. (If the debtor does not have an interest or
19 record) The name of a record owner is

20 4. (If products of collateral are claimed) Products of
21 the collateral are also covered.

22 (Use whichever Signature of Debtor (or Assignor)

23 is applicable) Signature of Secured Party (or Assignee) .

24 (4) A financing statement may be amended by filing a
25 writing signed by both the debtor and the secured party. An

1 amendment does not extend the period of effectiveness of a
2 financing statement. If any amendment adds collateral, it is
3 effective as to the added collateral only from the filing
4 date of the amendment. In this chapter, unless the context
5 otherwise requires, the term "financing statement" means the
6 original financing statement and any amendments.

7 (5) A financing statement covering timber to be cut or
8 covering minerals or the like (including oil and gas) or
9 accounts subject to 30-9-103(5), or a financing statement
10 filed as a fixture filing (30-9-313) when the debtor is not
11 a transmitting utility, must show that it covers this type
12 of collateral, must recite that it is to be filed in the
13 real estate records, and the financing statement must
14 contain a description of the real estate sufficient if it
15 were contained in a mortgage of the real estate to give
16 constructive notice of the mortgage under the law of this
17 state. If the debtor does not have an interest of record in
18 the real estate, the financing statement must show the name
19 of a record owner.

20 (6) (a) A mortgage is effective as a financing
21 statement filed as a fixture filing from the date of its
22 recording if:

23 (i) the goods are described in the mortgage by item or
24 type;

25 (ii) the goods are or are to become fixtures related to

1 the real estate described in the mortgage;
2 (iii) the mortgage complies with the requirements for a
3 financing statement in this section other than a recital
4 that it is to be filed in the real estate records; and
5 (iv) the mortgage is duly recorded.
6 (b) No fee with reference to the financing statement
7 is required other than the regular recording and
8 satisfaction fees with respect to the mortgage.
9 (7) A financing statement sufficiently shows the name
10 of the debtor if it gives the social security number or tax
11 identification number of the debtor and the individual,
12 partnership, or corporate name of the debtor, whether or not
13 it adds other trade names or the names of partners. If the
14 debtor so changes his name or in the case of an organization
15 its name, identity, or corporate structure that a filed
16 financing statement becomes seriously misleading, the filing
17 is not effective to perfect a security interest in
18 collateral acquired by the debtor more than 4 months after
19 the change unless a new appropriate financing statement is
20 filed before the expiration of that time. A filed financing
21 statement remains effective with respect to collateral
22 transferred by the debtor even though the secured party
23 knows of or consents to the transfer.
24 (8) A financing statement substantially complying with
25 the requirements of this section is effective even though it

1 contains minor errors which are not seriously misleading."

-End-

APPROVED BY COMM. ON BUSINESS
AND ECONOMIC DEVELOPMENT

1 House BILL NO. 321
2 INTRODUCED BY Spaeth
3
4 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING UNIFORM
5 COMMERCIAL CODE FINANCING STATEMENTS TO INCLUDE THE SOCIAL
6 SECURITY NUMBER OR TAX IDENTIFICATION NUMBER OF THE DEBTOR;
7 AND AMENDING SECTION 30-9-402, MCA."

8
9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10 **Section 1.** Section 30-9-402, MCA, is amended to read:

11 "30-9-402. Formal requisites of financing statement --
12 amendments -- mortgage as financing statement. (1) A
13 financing statement is sufficient if it gives the names of
14 the debtor and the secured party, is signed by the debtor,
15 gives an address of the secured party from which information
16 concerning the security interest may be obtained, gives a
17 mailing address and the county of residence of the debtor,
18 and contains a statement indicating the types or describing
19 the items of collateral. A financing statement may be filed
20 before a security agreement is made or a security interest
21 otherwise attaches. Except for financing statements filed
22 pursuant to 30-9-409 when the financing statement covers
23 crops growing or to be grown, the statement must also
24 contain a description of the real estate concerned. When the
25 financing statement covers timber to be cut or covers

1 minerals or the like (including oil and gas) or accounts
2 subject to 30-9-103(5), or when the financing statement is
3 filed as a fixture filing (30-9-313) and the collateral is
4 goods which are or are to become fixtures, the statement
5 must also comply with subsection (5). A copy of the security
6 agreement is sufficient as a financing statement if it
7 contains the above information and is signed by the debtor.

8 (2) A financing statement which otherwise complies
9 with subsection (1) is sufficient when it is signed by the
10 secured party instead of the debtor if it is filed to
11 perfect a security interest in:

12 (a) collateral already subject to a security interest
13 in another jurisdiction when it is brought into this state,
14 or when the debtor's location is changed to this state. Such
15 a financing statement must state that the collateral was
16 brought into this state or that the debtor's location was
17 changed to this state under such circumstances.

18 (b) proceeds under 30-9-306 if the security interest
19 in the original collateral was perfected. Such a financing
20 statement must describe the original collateral.

21 (c) collateral as to which the filing has lapsed; or

22 (d) collateral acquired after a change of name,
23 identity, or corporate structure of the debtor (subsection
24 (7)).

25 (3) A form substantially as follows is sufficient to

1 comply with subsection (1):
 2 Name of debtor (or assignor)
 3 Social security number or tax identification number....
 4 Address
 5 County of residence
 6 Name of secured party (or assignee)
 7 Address
 8 1. This financing statement covers the following types
 9 (or items) of property:
 10 (Describe)
 11 2. (If collateral is crops) The above described crops
 12 are growing or are to be grown on:
 13 (Describe Real Estate)
 14 3. (If applicable) The above goods are to become
 15 fixtures on:
 16 (Describe Real Estate)
 17 and this financing statement is to be filed in the real
 18 estate record. (If the debtor does not have an interest or
 19 record) The name of a record owner is
 20 4. (If products of collateral are claimed) Products of
 21 the collateral are also covered.
 22 (Use whichever Signature of Debtor (or Assignor)
 23 is applicable) Signature of Secured Party (or Assignee) .
 24 (4) A financing statement may be amended by filing a
 25 writing signed by both the debtor and the secured party. An

1 amendment does not extend the period of effectiveness of a
 2 financing statement. If any amendment adds collateral, it is
 3 effective as to the added collateral only from the filing
 4 date of the amendment. In this chapter, unless the context
 5 otherwise requires, the term "financing statement" means the
 6 original financing statement and any amendments.

7 (5) A financing statement covering timber to be cut or
 8 covering minerals or the like (including oil and gas) or
 9 accounts subject to 30-9-103(5), or a financing statement
 10 filed as a fixture filing (30-9-313) when the debtor is not
 11 a transmitting utility, must show that it covers this type
 12 of collateral, must recite that it is to be filed in the
 13 real estate records, and the financing statement must
 14 contain a description of the real estate sufficient if it
 15 were contained in a mortgage of the real estate to give
 16 constructive notice of the mortgage under the law of this
 17 state. If the debtor does not have an interest of record in
 18 the real estate, the financing statement must show the name
 19 of a record owner.

20 (6) (a) A mortgage is effective as a financing
 21 statement filed as a fixture filing from the date of its
 22 recording if:

23 (i) the goods are described in the mortgage by item or
 24 type;

25 (ii) the goods are or are to become fixtures related to

1 the real estate described in the mortgage;

2 (iii) the mortgage complies with the requirements for a
3 financing statement in this section other than a recital
4 that it is to be filed in the real estate records; and

5 (iv) the mortgage is duly recorded.

6 (b) No fee with reference to the financing statement
7 is required other than the regular recording and
8 satisfaction fees with respect to the mortgage.

9 (7) A financing statement sufficiently shows the name
10 of the debtor if it gives the social security number or tax
11 identification number of the debtor and the individual,
12 partnership, or corporate name of the debtor, whether or not
13 it adds other trade names or the names of partners. If the
14 debtor so changes his name or in the case of an organization
15 its name, identity, or corporate structure that a filed
16 financing statement becomes seriously misleading, the filing
17 is not effective to perfect a security interest in
18 collateral acquired by the debtor more than 4 months after
19 the change unless a new appropriate financing statement is
20 filed before the expiration of that time. A filed financing
21 statement remains effective with respect to collateral
22 transferred by the debtor even though the secured party
23 knows of or consents to the transfer.

24 (8) A financing statement substantially complying with
25 the requirements of this section is effective even though it

1 contains minor errors which are not seriously misleading."

-End-

1 House BILL NO. 321
2 INTRODUCED BY Spaeth
3
4 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING UNIFORM
5 COMMERCIAL CODE FINANCING STATEMENTS TO INCLUDE THE SOCIAL
6 SECURITY NUMBER OR TAX IDENTIFICATION NUMBER OF THE DEBTOR;
7 AND AMENDING SECTION 30-9-402, MCA."

8
9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10 **Section 1.** Section 30-9-402, MCA, is amended to read:

11 "30-9-402. Formal requisites of financing statement --
12 amendments -- mortgage as financing statement. (1) A
13 financing statement is sufficient if it gives the names of
14 the debtor and the secured party, is signed by the debtor,
15 gives an address of the secured party from which information
16 concerning the security interest may be obtained, gives a
17 mailing address and the county of residence of the debtor,
18 and contains a statement indicating the types or describing
19 the items of collateral. A financing statement may be filed
20 before a security agreement is made or a security interest
21 otherwise attaches. Except for financing statements filed
22 pursuant to 30-9-409 when the financing statement covers
23 crops growing or to be grown, the statement must also
24 contain a description of the real estate concerned. When the
25 financing statement covers timber to be cut or covers

1 minerals or the like (including oil and gas) or accounts
2 subject to 30-9-103(5), or when the financing statement is
3 filed as a fixture filing (30-9-313) and the collateral is
4 goods which are or are to become fixtures, the statement
5 must also comply with subsection (5). A copy of the security
6 agreement is sufficient as a financing statement if it
7 contains the above information and is signed by the debtor.

8 (2) A financing statement which otherwise complies
9 with subsection (1) is sufficient when it is signed by the
10 secured party instead of the debtor if it is filed to
11 perfect a security interest in:

12 (a) collateral already subject to a security interest
13 in another jurisdiction when it is brought into this state,
14 or when the debtor's location is changed to this state. Such
15 a financing statement must state that the collateral was
16 brought into this state or that the debtor's location was
17 changed to this state under such circumstances.

18 (b) proceeds under 30-9-306 if the security interest
19 in the original collateral was perfected. Such a financing
20 statement must describe the original collateral.

21 (c) collateral as to which the filing has lapsed; or

22 (d) collateral acquired after a change of name,
23 identity, or corporate structure of the debtor (subsection
24 (7)).

25 (3) A form substantially as follows is sufficient to

1 comply with subsection (1):

2 Name of debtor (or assignor)

3 Social security number or tax identification number....

4 Address

5 County of residence

6 Name of secured party (or assignee)

7 Address

8 1. This financing statement covers the following types
9 (or items) of property:

10 (Describe)

11 2. (If collateral is crops) The above described crops
12 are growing or are to be grown on:

13 (Describe Real Estate)

14 3. (If applicable) The above goods are to become
15 fixtures on:

16 (Describe Real Estate)

17 and this financing statement is to be filed in the real
18 estate record. (If the debtor does not have an interest or
19 record) The name of a record owner is

20 4. (If products of collateral are claimed) Products of
21 the collateral are also covered.

22 (Use whichever Signature of Debtor (or Assignor)

23 is applicable) Signature of Secured Party (or Assignee) .

24 (4) A financing statement may be amended by filing a
25 writing signed by both the debtor and the secured party. An

1 amendment does not extend the period of effectiveness of a
2 financing statement. If any amendment adds collateral, it is
3 effective as to the added collateral only from the filing
4 date of the amendment. In this chapter, unless the context
5 otherwise requires, the term "financing statement" means the
6 original financing statement and any amendments.

7 (5) A financing statement covering timber to be cut or
8 covering minerals or the like (including oil and gas) or
9 accounts subject to 30-9-103(5), or a financing statement
10 filed as a fixture filing (30-9-313) when the debtor is not
11 a transmitting utility, must show that it covers this type
12 of collateral, must recite that it is to be filed in the
13 real estate records, and the financing statement must
14 contain a description of the real estate sufficient if it
15 were contained in a mortgage of the real estate to give
16 constructive notice of the mortgage under the law of this
17 state. If the debtor does not have an interest of record in
18 the real estate, the financing statement must show the name
19 of a record owner.

20 (6) (a) A mortgage is effective as a financing
21 statement filed as a fixture filing from the date of its
22 recording if:

23 (i) the goods are described in the mortgage by item or
24 type;

25 (ii) the goods are or are to become fixtures related to

1 the real estate described in the mortgage;
2 (iii) the mortgage complies with the requirements for a
3 financing statement in this section other than a recital
4 that it is to be filed in the real estate records; and
5 (iv) the mortgage is duly recorded.
6 (b) No fee with reference to the financing statement
7 is required other than the regular recording and
8 satisfaction fees with respect to the mortgage.
9 (7) A financing statement sufficiently shows the name
10 of the debtor if it gives the social security number or tax
11 identification number of the debtor and the individual,
12 partnership, or corporate name of the debtor, whether or not
13 it adds other trade names or the names of partners. If the
14 debtor so changes his name or in the case of an organization
15 its name, identity, or corporate structure that a filed
16 financing statement becomes seriously misleading, the filing
17 is not effective to perfect a security interest in
18 collateral acquired by the debtor more than 4 months after
19 the change unless a new appropriate financing statement is
20 filed before the expiration of that time. A filed financing
21 statement remains effective with respect to collateral
22 transferred by the debtor even though the secured party
23 knows of or consents to the transfer.
24 (8) A financing statement substantially complying with
25 the requirements of this section is effective even though it

1 contains minor errors which are not seriously misleading."

-End-

HOUSE BILL NO. 321
INTRODUCED BY SPAETH

A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING UNIFORM
COMMERCIAL CODE FINANCING STATEMENTS TO INCLUDE THE SOCIAL
SECURITY NUMBER OR TAX IDENTIFICATION NUMBER OF THE DEBTOR;
AND AMENDING SECTION 30-9-402, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 30-9-402, MCA, is amended to read:

"30-9-402. Formal requisites of financing statement --
amendments -- mortgage as financing statement. (1) A
financing statement is sufficient if it gives the names of
the debtor and the secured party, is signed by the debtor,
gives an address of the secured party from which information
concerning the security interest may be obtained, gives a
mailing address and the county of residence of the debtor,
and contains a statement indicating the types or describing
the items of collateral. A financing statement may be filed
before a security agreement is made or a security interest
otherwise attaches. Except for financing statements filed
pursuant to 30-9-409 when the financing statement covers
crops growing or to be grown, the statement must also
contain a description of the real estate concerned. When the
financing statement covers timber to be cut or covers

minerals or the like (including oil and gas) or accounts
subject to 30-9-103(5), or when the financing statement is
filed as a fixture filing (30-9-313) and the collateral is
goods which are or are to become fixtures, the statement
must also comply with subsection (5). A copy of the security
agreement is sufficient as a financing statement if it
contains the above information and is signed by the debtor.

(2) A financing statement which otherwise complies
with subsection (1) is sufficient when it is signed by the
secured party instead of the debtor if it is filed to
perfect a security interest in:

(a) collateral already subject to a security interest
in another jurisdiction when it is brought into this state,
or when the debtor's location is changed to this state. Such
a financing statement must state that the collateral was
brought into this state or that the debtor's location was
changed to this state under such circumstances.

(b) proceeds under 30-9-306 if the security interest
in the original collateral was perfected. Such a financing
statement must describe the original collateral.

(c) collateral as to which the filing has lapsed; or

(d) collateral acquired after a change of name,
identity, or corporate structure of the debtor (subsection
(7)).

(3) A form substantially as follows is sufficient to

1 comply with subsection (1):

2 Name of debtor (or assignor)

3 Social security number or tax identification number....

4 Address

5 County of residence

6 Name of secured party (or assignee)

7 Address

8 1. This financing statement covers the following types
9 (or items) of property:

10 (Describe)

11 2. (If collateral is crops) The above described crops
12 are growing or are to be grown on:

13 (Describe Real Estate)

14 3. (If applicable) The above goods are to become
15 fixtures on:

16 (Describe Real Estate)

17 and this financing statement is to be filed in the real
18 estate record. (If the debtor does not have an interest or
19 record) The name of a record owner is

20 4. (If products of collateral are claimed) Products of
21 the collateral are also covered.

22 (Use whichever Signature of Debtor (or Assignor)

23 is applicable) Signature of Secured Party (or Assignee) .

24 (4) A financing statement may be amended by filing a
25 writing signed by both the debtor and the secured party. An

1 amendment does not extend the period of effectiveness of a
2 financing statement. If any amendment adds collateral, it is
3 effective as to the added collateral only from the filing
4 date of the amendment. In this chapter, unless the context
5 otherwise requires, the term "financing statement" means the
6 original financing statement and any amendments.

7 (5) A financing statement covering timber to be cut or
8 covering minerals or the like (including oil and gas) or
9 accounts subject to 30-9-103(5), or a financing statement
10 filed as a fixture filing (30-9-313) when the debtor is not
11 a transmitting utility, must show that it covers this type
12 of collateral, must recite that it is to be filed in the
13 real estate records, and the financing statement must
14 contain a description of the real estate sufficient if it
15 were contained in a mortgage of the real estate to give
16 constructive notice of the mortgage under the law of this
17 state. If the debtor does not have an interest of record in
18 the real estate, the financing statement must show the name
19 of a record owner.

20 (6) (a) A mortgage is effective as a financing
21 statement filed as a fixture filing from the date of its
22 recording if:

23 (i) the goods are described in the mortgage by item or
24 type;

25 (ii) the goods are or are to become fixtures related to

1 the real estate described in the mortgage;

2 (iii) the mortgage complies with the requirements for a

3 financing statement in this section other than a recital

4 that it is to be filed in the real estate records; and

5 (iv) the mortgage is duly recorded.

6 (b) No fee with reference to the financing statement

7 is required other than the regular recording and

8 satisfaction fees with respect to the mortgage.

9 (7) A financing statement sufficiently shows the name

10 of the debtor if it gives the social security number or tax

11 identification number of the debtor and the individual,

12 partnership, or corporate name of the debtor, whether or not

13 it adds other trade names or the names of partners. If the

14 debtor so changes his name or in the case of an organization

15 its name, identity, or corporate structure that a filed

16 financing statement becomes seriously misleading, the filing

17 is not effective to perfect a security interest in

18 collateral acquired by the debtor more than 4 months after

19 the change unless a new appropriate financing statement is

20 filed before the expiration of that time. A filed financing

21 statement remains effective with respect to collateral

22 transferred by the debtor even though the secured party

23 knows of or consents to the transfer.

24 (8) A financing statement substantially complying with

25 the requirements of this section is effective even though it

1 contains minor errors which are not seriously misleading."

-End-