

SB 572

WEST VIRGINIA LEGISLATURE
EIGHTY-FIRST LEGISLATURE
REGULAR SESSION, 2014



ENROLLED

Senate Bill No. 572

(BY SENATORS TUCKER, FITZSIMMONS AND EDGELL)

[PASSED MARCH 8, 2014; IN EFFECT NINETY DAYS FROM PASSAGE.]

OFFICE WEST VIRGINIA
SECRETARY OF STATE

2014 APR - 1 P 4: 26

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[Passed March 8, 2014; in effect ninety days from passage.]

AN ACT to amend and reenact §46-9-515 of the Code of West Virginia, 1931, as amended, relating to financing statements covering as-extracted collateral or timber to be cut.

Be it enacted by the Legislature of West Virginia:

That §46-9-515 of the Code of West Virginia, 1931, be amended and reenacted to read as follows:

**ARTICLE 9. SECURED TRANSACTIONS; SALES OF
ACCOUNTS AND CHATTEL PAPER.**

**§46-9-515. Duration and effectiveness of financing statement;
effect of lapsed financing statement.**

1 (a) *Five-year effectiveness.* – Except as otherwise
2 provided in subsections (b), (e), (f) and (g) of this section, a
3 filed financing statement is effective for a period of five years
4 after the date of filing.

5 (b) *Public-finance or manufactured-home transaction.* –
6 Except as otherwise provided in subsections (e), (f) and (g)
7 of this section, an initial financing statement filed in

8 connection with a public-finance transaction or
9 manufactured-home transaction is effective for a period of
10 forty years after the date of filing if it indicates that it is filed
11 in connection with a public-finance transaction or
12 manufactured-home transaction.

13 (c) *Lapse and continuation of financing statement.* – The
14 effectiveness of a filed financing statement lapses on the
15 expiration of the period of its effectiveness unless before the
16 lapse a continuation statement is filed pursuant to subsection
17 (d) of this section. Upon lapse, a financing statement ceases
18 to be effective and any security interest or agricultural lien
19 that was perfected by the financing statement becomes
20 unperfected, unless the security interest is perfected
21 otherwise. If the security interest or agricultural lien becomes
22 unperfected upon lapse, it is deemed never to have been
23 perfected as against a purchaser of the collateral for value.

24 (d) *When continuation statement may be filed.* – A
25 continuation statement may be filed only within six months
26 before the expiration of the five-year period specified in
27 subsection (a) of this section or the thirty-year period
28 specified in subsection (b) of this section, whichever is
29 applicable.

30 (e) *Effect of filing continuation statement.* – Except as
31 otherwise provided in section five hundred ten of this article,
32 upon timely filing of a continuation statement, the
33 effectiveness of the initial financing statement continues for
34 a period of five years commencing on the day on which the
35 financing statement would have become ineffective in the
36 absence of the filing. Upon the expiration of the five-year
37 period, the financing statement lapses in the same manner as
38 provided in subsection (c) of this section, unless, before the
39 lapse, another continuation statement is filed pursuant to
40 subsection (d) of this section. Succeeding continuation

41 statements may be filed in the same manner to continue the
42 effectiveness of the initial financing statement.

43 (f) *Transmitting utility financing statement.* – If a debtor
44 is a transmitting utility and a filed initial financing statement
45 so indicates, the financing statement is effective until a
46 termination statement is filed.

47 (g) *Record of mortgage as financing statement.* – A
48 record of a mortgage that is effective as a financing statement
49 filed as a fixture filing or as a financing statement covering
50 as-extracted collateral or timber to be cut under subsection
51 (c), section five hundred two of this article remains effective
52 as a financing statement filed as a fixture filing or as a
53 financing statement covering as-extracted collateral or timber
54 to be cut until the mortgage is released or satisfied of record
55 or its effectiveness otherwise terminates as to the real
56 property.

The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

[Handwritten Signature]
.....
Member — ~~Chairman~~ Senate Committee

[Handwritten Signature]
.....
Chairman House Committee

Originated in the Senate.

In effect ninety days from passage.

[Handwritten Signature]
.....
Clerk of the Senate

[Handwritten Signature]
.....
Clerk of the House of Delegates

[Handwritten Signature]
.....
President of the Senate

[Handwritten Signature]
.....
Speaker of the House of Delegates

The within *is approved* this
the *1st* Day of *April*, 2014.

[Handwritten Signature]
.....
Governor

PRESENTED TO THE GOVERNOR

MAR 27 2014

Time 3:00 pm