

LEGISLATURE OF NEBRASKA
ONE HUNDREDTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 716

Introduced by Pahls, 31.

Read first time January 09, 2008

Committee: Banking, Commerce and Insurance

A BILL

1 FOR AN ACT relating to secured transactions; to amend section
2 9-506, Uniform Commercial Code, Reissue Revised Statutes
3 of Nebraska; to change provisions relating to the effect
4 of errors and omissions in a financing statement; and to
5 repeal the original section.
6 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 9-506, Uniform Commercial Code,
2 Reissue Revised Statutes of Nebraska, is amended to read:

3 9-506 Effect of errors or omissions.

4 (a) A financing statement substantially satisfying the
5 requirements of this part is effective, even if it has minor errors
6 or omissions, unless the errors or omissions make the financing
7 statement seriously misleading.

8 (b) Except as otherwise provided in subsection (c), a
9 financing statement that fails sufficiently to provide the name
10 of the debtor in accordance with section 9-503(a) is seriously
11 misleading.

12 (c) If a search of the records of the filing office under
13 the debtor's correct name, or, in the case of a debtor who is
14 an individual, the debtor's correct last name, using the filing
15 office's standard search logic, if any, would disclose a financing
16 statement that fails sufficiently to provide the name of the debtor
17 in accordance with section 9-503(a), the name provided does not
18 make the financing statement seriously misleading.

19 (d) For purposes of section 9-508(b), the "debtor's
20 correct name" in subsection (c) means the correct name of the new
21 debtor.

22 Sec. 2. Original section 9-506, Uniform Commercial Code,
23 Reissue Revised Statutes of Nebraska, is repealed.