

NOTICE OF PROPOSED CHANGES IN THE  
REGULATIONS OF THE DEPARTMENT OF NATURAL RESOURCES

**Brief Description**

The Department of Natural Resources proposes to change regulations on filing documents to reflect changes in the Uniform Commercial Code (UCC) concerning secured transactions

On April 11, 2013, the Alaska Legislature passed HB 9, relating to provisions of the Uniform Commercial Code, including secured transactions. House Bill 9 has not yet been signed into law by the governor. If the governor signs HB 9, it will become effective July 1, 2013. If HB 9 is signed by the governor and becomes effective, then the Department of Natural Resources proposes to adopt *regulation* changes in Title 11 of the Alaska Administrative Code, dealing with the Recorder's Office/Uniform Commercial Code Central File Office, including the following:

Portions of 11 AAC 05 AND 11 AAC 06, are proposed to be changed to make them consistent with the changes and requirements of the new law, including the following:

11 AAC 06.051(a)(4)(A) is proposed to be amended to remove requirements for information concerning an organization that is no longer required by statute or new forms, including the repeal of sub-subparagraphs (i), (ii), and (iii), and associated lead-in language.

11 AAC 05.010(a)(15)(c), 11 AAC 06.051(a)(5), 11 AAC 06.061(f), and 11 AAC 06.900 are proposed to be amended to reflect that correction statements are now referred to as information statements.

You may comment on the proposed regulation changes, including the potential costs to private persons of complying with the proposed changes, by submitting written comments to State Recorder's Office, Support Services Division, Department of Natural Resources at 550 West 5<sup>th</sup> Avenue, Suite 1210, Attn: Paula Kelsey, Recorder Manager, Anchorage, AK 99501. The comments must be received no later than 4:30 p.m. on June 3, 2013.

If you are a person with a disability who needs a special accommodation in order to participate in this process, please contact Paula Kelsey at (907) 269-8881 no later than May 20, 2013 to ensure that any necessary accommodations can be provided.

For a copy of the proposed regulation changes, contact the State Recorder's Office at 550 West 7<sup>th</sup> Avenue, Suite 1210, Anchorage, AK 99501 or call 907-269-8881. You may also visit our website at <http://www.dnr.state.ak.us/ssd/recoff/closurenotices.cfm>.

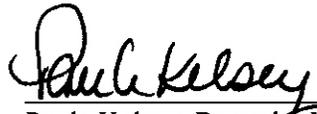
After the public comment period ends, and if HB 9 is signed by the governor into law, the State Recorder's Office will either adopt these or other provisions dealing with the same subject, without further notice, or decide to take no action on them. The language of the final regulations may be different from that of the proposed regulations. You should comment during the time allowed if your interests could be affected. Written comments received are public records and are subject to public inspection.

**Statutory Authority:** AS 44.37.027

**Statutes Being Implemented, Interpreted, or Made Specific:** AS 45.29.502; AS 45.29.503; AS 45.29.516; AS 45.29.518

**Fiscal Information:** The proposed regulation changes are not expected to require an increased appropriation.

DATE: 4/23/13

  
\_\_\_\_\_  
Paula Kelsey, Recorder Manager

11 AAC 05.010(a)(15)(C) is amended to read:

(C) UCC **information** [CORRECTION] statement, \$10 per filing;

(Eff. 1/1/86, Register 96; am 8/10/86, Register 99; am 9/28/86, Register 99; am 8/23/87, Register 103; am 1/28/88, Register 105; am 7/1/89, Register 110; add'l am 7/1/89, Register 110; am 8/16/89, Register 111; am 12/9/89, Register 112; am 1/17/90, Register 113; am 3/16/91, Register 117; am 12/25/91, Register 120; am 5/14/92, Register 122; am 9/16/92, Register 123; am 4/18/93, Register 126; am 5/5/93, Register 126; am 10/1/94, Register 131; am 12/13/95, Register 136; am 2/16/96, Register 137; am 5/24/96, Register 138; am 5/18/97, Register 142; am 2/21/98, Register 145; am 7/29/98, Register 147; am 8/26/98, Register 147; am 9/10/98, Register 147; am 1/29/99, Register 149; am 5/9/99, Register 150; am 2/9/2001, Register 157; am 5/3/2001, Register 158; am 8/23/2001, Register 159; am 10/27/2002, Register 164; am 11/13/2002, Register 164; am 12/7/2002, Register 164; am 1/14/2004, Register 169; am 10/2/2004, Register 171; am 1/16/2005, Register 173; am 9/10/2005, Register 175; am 2/15/2006, Register 177; am 3/13/2006, Register 177; am 11/22/2006, Register 180; am 8/31/2008, Register 187; am 12/14/2008, Register 188; am 8/19/2009, Register 191; am 12/5/2009, Register 192; am \_\_\_\_/\_\_\_\_/\_\_\_\_, Register \_\_\_\_)

<b>Authority:</b>	AS 27.21.030	AS 38.05.255	AS 40.25.110
	AS 27.21.940	AS 38.05.295	AS 41.06.020
	AS 37.10.050	AS 38.05.600	AS 41.21.020
	AS 37.10.052	AS 38.05.850	AS 41.21.026
	AS 37.10.058	AS 38.08.110	AS 41.23.440
	AS 38.04.045	AS 38.09.020	AS 44.37.020

AS 38.04.900	AS 38.09.110	AS 44.37.025
AS 38.05.020	AS 38.35.020	AS 44.37.027
AS 38.05.035	AS 38.35.050	AS 45.29.525
AS 38.05.057	AS 38.50.160	AS 45.50.315
AS 38.05.082	AS 38.95.240	AS 46.15.020
AS 38.05.177	AS 40.15.370	AS 46.15.035
AS 38.05.180	AS 40.17.030	AS 46.15.037

11 AAC 06.051(a)(4)(A) is amended to read:

(A) identifies the debtor as an individual or an organization [, AND, IF

THE DEBTOR IS AN ORGANIZATION, PROVIDES

(i) A TYPE OF ORGANIZATION FOR THE DEBTOR;

(ii) A JURISDICTION OF ORGANIZATION FOR THE

DEBTOR; OR

(iii) AN ORGANIZATIONAL IDENTIFICATION NUMBER

FOR THE DEBTOR OR INDICATE THAT THE DEBTOR DOES NOT HAVE

AN ORGANIZATIONAL IDENTIFICATION NUMBER];

11 AAC 06.051(a)(5) is amended to read:

(5) for a UCC record that is an amendment or **information** [CORRECTION]

statement to an active initial financing statement in the UCC central filing office, the record

contains the complete file number of the initial financing statement;

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(Eff. 8/23/2001, Register 159; am 4/2/2004, Register 169; am 12/14/2008, Register 188; am  
\_\_\_/\_\_\_/\_\_\_, Register \_\_\_)

**Authority:**    AS 44.37.027            AS 45.29.503            AS 45.29.522  
                  AS 45.29.502            AS 45.29.516            AS 45.29.525

11 AAC 06.061(f) is amended to read:

(f) An error by a filer is the responsibility of the filer. A filer may correct an error by filing an amendment or by disclosure in an information [A CORRECTION] statement. The filing of an information [A CORRECTION] statement under AS 45.29.518 does not affect the effectiveness of a UCC record. For purposes of this subsection, an error includes incorrect or incomplete names, addresses, financing statement numbers, collateral, or identification of the type of filing.

(Eff. 8/23/2001, Register 159; am 4/2/2004, Register 169; am \_\_\_/\_\_\_/\_\_\_, Register \_\_\_)

**Authority:**    AS 44.37.027            AS 45.29.518            AS 45.29.520  
                  AS 45.29.516

11 AAC 06.900(5) is repealed:

(5) repealed \_\_\_/\_\_\_/\_\_\_;

11 AAC 06.900(20) is amended to read:

(20) "UCC record" means a record that is an initial financing statement, amendment, or information [CORRECTION] statement; "UCC record" does not refer

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exclusively to paper or paper-based writings; "UCC record" includes fixture statements and related documents recorded in a recording district office;

11 AAC 06.900 is amended by adding a new paragraph to read:

(24) "information statement" means a UCC record that indicates that a financing statement is inaccurate or wrongfully filed. (Eff. 6/1/86, Register 98; am 8/23/2001, Register 159; am 4/2/2004, Register 169; am 12/5/2009, Register 192; am \_\_/\_\_/\_\_, Register \_\_\_\_)

**Authority:**    AS 40.17.030            AS 45.29.102            AS 45.29.518  
                 AS 44.37.025            AS 45.29.511            AS 45.29.519  
                 AS 44.37.027

ADDITIONAL REGULATIONS NOTICE INFORMATION  
(AS 44.62.190(d))

1. Adopting agency: Recorders/UCC Section, Support Services Division, DNR  
2. General subject of regulation: Uniform Commercial Code Clean Up  
3. Citation of regulation (may be grouped): 11 AAC 06.051, .061, .900  
4. Reason for the proposed action:  
 compliance with federal law  
 compliance with new or changed state statute  
 compliance with court order  
 development of program standards  
 other: (please list) \_\_\_\_\_  
5. Appropriation/Allocation: \_\_\_\_\_

6. Cost of implementation to the state agency and available funding (in thousands of dollars):

	Initial Year FY <u>14</u>	Subsequent Years
Operating Cost	\$ <u>-0-</u>	\$ <u>-0-</u>
Capital Cost	\$ <u>-0-</u>	\$ <u>-0-</u>
Federal receipts	\$ <u>-0-</u>	\$ <u>-0-</u>
General fund match	\$ <u>-0-</u>	\$ <u>-0-</u>
General fund	\$ <u>-0-</u>	\$ <u>-0-</u>
General fund/ program receipts	\$ <u>-0-</u>	\$ <u>-0-</u>
General fund/ mental health	\$ <u>-0-</u>	\$ <u>-0-</u>
Other funds (specify)	\$ <u>-0-</u>	\$ <u>-0-</u>

7. The name of the contact person for the regulations:

Name Paula Kelsey  
Title Recorder Manager  
Address 550 West 7<sup>th</sup> Avenue #1210  
Anchorage, AK 99501  
Telephone 907-269-8881  
E-mail address paula.kelsey@alaska.gov

8. The origin of the proposed action:

- staff of state agency  
 federal government  
 general public  
 petition for regulation change  
 other (please list) \_\_\_\_\_

9. Date: 4/23/2013

Prepared by: Paula Kelsey  
[signature]

Name (typed) Paula Kelsey  
Title (typed) Recorder Manager  
Telephone: 907-269-8881