

1 State of Arkansas
2 82nd General Assembly
3 Regular Session, 1999

A Bill

HOUSE BILL 1596

4
5 By: Representative Vess
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For An Act To Be Entitled

9 "AN ACT TO AMEND ARKANSAS CODE 4-9-203 PERTAINING TO
10 ATTACHMENT AND ENFORCEABILITY OF SECURITY INTEREST; TO
11 AMEND ARKANSAS CODE 4-9-402 PERTAINING TO FORMAL
12 REQUISITES OF FINANCING STATEMENTS; AND FOR OTHER
13 PURPOSES. "

Subtitle

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16 "TO AMEND ARKANSAS CODE 4-9-203
17 PERTAINING TO ATTACHMENT AND
18 ENFORCEABILITY OF SECURITY INTEREST; TO
19 AMEND ARKANSAS CODE 4-9-402 PERTAINING
20 TO FORMAL REQUISITES OF FINANCING
21 STATEMENTS. "

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24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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26 SECTION 1. Arkansas Code 4-9-203(1) is amended to read as follows:

27 "4-9-203. Attachment and enforceability of security interest - Proceeds
28 - Formal requisites.

29 (1) Subject to the provisions of § 4-4-208 on the security interest of
30 a collecting bank, §§ 4-9-115 and 4-9-116 on security interests in investment
31 property, and § 4-9-113 on a security interest arising under the chapter on
32 sales, § 4-2-101 et seq., a security interest is not enforceable against the
33 debtor or third parties with respect to the collateral and does not attach
34 unless:

35 (a) The collateral is in the possession of the secured party
36 pursuant to agreement, the collateral is investment property and the secured

1 party has control pursuant to agreement, or the debtor has signed a security
 2 agreement which contains a description of the collateral and in addition, when
 3 the security interest covers ~~crops growing or to be grown~~ or timber to be cut,
 4 a description of the land concerned;

5 (b) Value has been given; and

6 (c) the debtor has rights in the collateral."

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 8 SECTION 2. Arkansas Code 4-9-402(1) is amended to read as follows:

9 "4-9-402. Formal requisites of financing statement - Amendments -
 10 Mortgage as financing statement.

11 (1) A financing statement is sufficient if it gives the names of the
 12 debtor and the secured party, is signed by the debtor, gives an address of the
 13 secured party from which information concerning the security interest may be
 14 obtained, gives a mailing address of the debtor, and contains a statement
 15 indicating the types, or describing the items, of collateral. A financing
 16 statement may be filed before a security agreement is made or a security
 17 interest otherwise attaches. ~~When the financing statement covers crops~~
 18 ~~growing or to be grown, the statement must also contain a description of the~~
 19 ~~real estate concerned.~~ When the financing statement covers timber to be cut
 20 or covers minerals or the like (including oil and gas) or accounts subject to
 21 § 4-9-103(5), or when the financing statement is filed as a fixture filing (§
 22 4-9-313) and the collateral is goods which are or are to become fixtures, the
 23 statement must also comply with subsection (5). A copy of the security
 24 agreement is sufficient as a financing statement if it contains the above
 25 information and is signed by the debtor. A carbon, photographic, or other
 26 reproduction of a security agreement or a financing statement is sufficient as
 27 a financing statement if the security agreement so provides or if the original
 28 has been filed in this state."

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 30 SECTION 3. All provisions of this act of a general and permanent nature
 31 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
 32 Revision Commission shall incorporate the same in the Code.

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 34 SECTION 4. If any provision of this act or the application thereof to
 35 any person or circumstance is held invalid, such invalidity shall not affect
 36 other provisions or applications of the act which can be given effect without

1 the invalid provision or application, and to this end the provisions of this
2 act are declared to be severable.

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4 SECTION 5. All laws and parts of laws in conflict with this act are
5 hereby repealed.

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