

# State of South Dakota

SEVENTY-SEVENTH SESSION  
LEGISLATIVE ASSEMBLY, 2002

400H0236

## SENATE BILL NO. 39

Introduced by: The Committee on Commerce at the request of the Secretary of State

1 FOR AN ACT ENTITLED, An Act to revise the duties of the filing office in dealing with  
2 uniform commercial code records.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That § 57A-9-519 be amended to read as follows:

5 57A-9-519. (a) For each record filed in a filing office, the filing office shall:

- 6 (1) Assign a unique number to the filed record;
- 7 (2) Create a record that bears the number assigned to the filed record and the date  
8 and time of filing;
- 9 (3) Maintain the filed record for public inspection; and
- 10 (4) Index the filed record in accordance with subsections (c), (d), and (e).

11 (b) ~~A file number assigned after July 1, 2001, must include a digit that:~~

- 12 ~~(1) Is mathematically derived from or related to the other digits of the file number; and~~
- 13 ~~(2) Aids the filing office in determining whether a number communicated as the file~~  
14 ~~number includes a single-digit or transpositional error.~~

15 (c) Except as otherwise provided in subsections (d) and (e), the filing office shall:



1       (1)    Index an initial financing statement according to the name of the debtor and index all  
2            filed records relating to the initial financing statement in a manner that associates with  
3            one another an initial financing statement and all filed records relating to the initial  
4            financing statement; and

5       (2)    Index a record that provides a name of a debtor which was not previously provided  
6            in the financing statement to which the record relates also according to the name that  
7            was not previously provided.

8       (d) If a financing statement is filed as a fixture filing or covers as-extracted collateral or  
9       timber to be cut, it must be filed for record and the filing office shall index it:

10      (1)    Under the names of the debtor and of each owner of record shown on the financing  
11            statement as if they were the mortgagors under a mortgage of the real property  
12            described; and

13      (2)    To the extent that the law of this State provides for indexing of records of mortgages  
14            under the name of the mortgagee, under the name of the secured party as if the  
15            secured party were the mortgagee thereunder, or, if indexing is by description, as if  
16            the financing statement were a record of a mortgage of the real property described.

17      (e) If a financing statement is filed as a fixture filing or covers as-extracted collateral or  
18       timber to be cut, the filing office shall index an assignment filed under § 57A-9-514(a) or an  
19       amendment filed under § 57A-9-514(b):

20      (1)    Under the name of the assignor as grantor; and

21      (2)    To the extent that the law of this State provides for indexing a record of the  
22            assignment of a mortgage under the name of the assignee, under the name of the  
23            assignee.

24      (f) The filing office shall maintain a capability:

1 (1) To retrieve a record by the name of the debtor and:

2 (A) If the filing office is described in § 57A-9-501(a)(1), by the file number  
3 assigned to the initial financing statement to which the record relates and the  
4 date and time that the record was filed or recorded; or

5 (B) If the filing office is described in § 57A-9-501(a)(2), by the file number  
6 assigned to the initial financing statement to which the record relates; and

7 (2) To associate and retrieve with one another an initial financing statement and each filed  
8 record relating to the initial financing statement.

9 (g) The filing office may not remove a debtor's name from the index until one year after the  
10 effectiveness of a financing statement naming the debtor lapses under § 57A-9-515 with respect  
11 to all secured parties of record.

12 (h) The filing office shall perform the acts required by subsections (a) through (e) at the time  
13 and in the manner prescribed by filing-office rule, but not later than two business days after the  
14 filing office receives the record in question.

15 (i) ~~Subsections (b) and (h) do~~ Subsection (h) does not apply to a filing office described in  
16 § 57A-9-501(a)(1).