Τ	H. B. 4521
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3	(By Delegates Moore, Hunt, Hartman, Campbell and E. Nelson)
5	[Introduced February 13, 2014; referred to the
6	Committee on Banking and Insurance then the Judiciary.]
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10	A BILL to amend and reenact $\$46-9-515$ of the Code of West Virginia,
11	1931, as amended, relating to financing statements covering
12	as-extracted collateral or timber to be cut.
13	Be it enacted by the Legislature of West Virginia:
14	That $§46-9-515$ of the Code of West Virginia, 1931, be amended
15	and reenacted to read as follows:
16	ARTICLE 9. SECURED TRANSACTIONS; SALES OF ACCOUNTS AND CHATTEL
17	PAPER.
18	§46-9-515. Duration and effectiveness of financing statement;
19	effect of lapsed financing statement.
20	(a) Five-year effectiveness Except as otherwise provided
21	in subsections (b), (e), (f) and (g) of this section, a filed
22	financing statement is effective for a period of five years after
23	the date of filing.

- 1 (b) Public-finance or manufactured-home transaction. -- Except
 2 as otherwise provided in subsections (e), (f) and (g) of this
 3 section, an initial financing statement filed in connection with a
 4 public-finance transaction or manufactured-home transaction is
 5 effective for a period of forty years after the date of filing if
 6 it indicates that it is filed in connection with a public-finance
 7 transaction or manufactured-home transaction.
- 8 (c) Lapse and continuation of financing statement. -- The 9 effectiveness of a filed financing statement lapses on the 10 expiration of the period of its effectiveness unless before the 11 lapse a continuation statement is filed pursuant to subsection (d) 12 of this section. Upon lapse, a financing statement ceases to be 13 effective and any security interest or agricultural lien that was 14 perfected by the financing statement becomes unperfected, unless 15 the security interest is perfected otherwise. If the security 16 interest or agricultural lien becomes unperfected upon lapse, it is 17 deemed never to have been perfected as against a purchaser of the 18 collateral for value.
- 19 (d) When continuation statement may be filed. -- A
 20 continuation statement may be filed only within six months before
 21 the expiration of the five-year period specified in subsection (a)
 22 of this section or the thirty-year period specified in subsection
 23 (b) of this section, whichever is applicable.

- 1 (e) Effect of filing continuation statement. -- Except as
 2 otherwise provided in section 9-510, upon timely filing of a
 3 continuation statement, the effectiveness of the initial financing
 4 statement continues for a period of five years commencing on the
 5 day on which the financing statement would have become ineffective
 6 in the absence of the filing. Upon the expiration of the five-year
 7 period, the financing statement lapses in the same manner as
 8 provided in subsection (c) of this section, unless, before the
 9 lapse, another continuation statement is filed pursuant to
 10 subsection (d) of this section. Succeeding continuation statements
 11 may be filed in the same manner to continue the effectiveness of
 12 the initial financing statement.
- 13 (f) Transmitting utility financing statement. -- If a debtor
 14 is a transmitting utility and a filed initial financing statement
 15 so indicates, the financing statement is effective until a
 16 termination statement is filed.
- (g) Record of mortgage as financing statement. -- A record of

 18 a mortgage that is effective as a financing statement filed as a

 19 fixture filing or as a financing statement covering as-extracted

 20 collateral or timber to be cut under section 9-502(c) remains

 21 effective as a financing statement filed as a fixture filing or as

 22 a financing statement covering as-extracted collateral or timber to

 23 be cut until the mortgage is released or satisfied of record or its

1 effectiveness otherwise terminates as to the real property.

NOTE: This bill provides that a record of a mortgage that is effective as a financing statement covering as-extracted collateral or timber to be cut remains effective as a financing statement covering as-extracted collateral or timber to be cut until the mortgage is released or satisfied of record or its effectiveness otherwise terminates as to the real property.

Strike-throughs indicate language that would be stricken from the present law, and underscoring indicates new language that would be added.