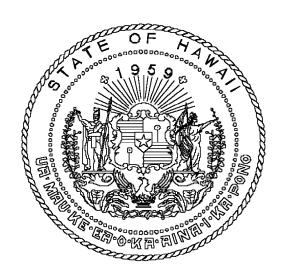
Report to the Twenty-Fifth Legislature Regular Session of 2010

OPERATIONS OF THE FILING OFFICE FOR FINANCING STATEMENTS UNDER THE UNIFORM COMMERCIAL CODE, SECURED TRANSACTIONS (REVISED ARTICLE 9)



Prepared by the

Department of Land and Natural Resources State of Hawaii

in response to Section 490:9-527, Hawaii Revised Statutes

October 2009

OPERATIONS OF THE FILING OFFICE FOR FINANCING STATEMENTS UNDER THE UNIFORM COMMERCIAL CODE, SECURED TRANSACTIONS (REVISED ARTICLE 9)

INTRODUCTION

This report is prepared in compliance with Section 490:9-527, Hawaii Revised Statutes, on the operations of the Filing Office under the Uniform Commercial Code (UCC), Secured Transactions (Revised Article 9). The Bureau of Conveyances (Bureau) of the Department of Land and Natural Resources has been designated as the State of Hawaii's Filing Office for the purposes of the Revised Article 9.

STATUS

The Bureau has been accepting for filing UCC instruments pursuant to provisions of the Revised Article 9 effective July 1, 2001.

Search criteria and structure of operations for filing offices differ from state to state. The objective is to try to bring Hawaii's procedures and rules in harmony with all jurisdictions as well as coincide with the provisions of the Revised Article 9, the most recent version of the Model Rules promulgated by the International Association of Commercial Administrators. The Bureau has been reviewing drafts of Model Rules promulgated by the International Association of Corporate Administrators and rules of other jurisdictions to help in the development of a new set of rules covering the Revised Article 9 of the UCC.

A draft of said rules has been sent to the Department of the Attorney General (AG) for review and approval as to form. The Department has received the comments from the AG and has incorporated the comments into the draft rules. The Department is also in the process of rule changes affecting its operations, incorporating the statutory changes enacted in 2009. Ideally, the Department would like to go out for public hearing with all of its proposed rules at one time, rather than a piecemeal approach. The public hearing process and resulting promulgation of amended and new rules is a priority for the Bureau.