



TO: International Association of Commercial Administrators

FROM: Kelly Kopyt, Secured Transaction Section Chair

RE: Character Field Length Recommendations

DATE: June 11, 2010

Summary:

At the February 2009 Joint Review Committee meeting in Portland, Oregon, the Joint Task Force on Filing Office Operations and Search Logic (FOOSL) asked the Joint Review Committee to review the issue of minimum system capabilities and consider whether to add an Article 9 statutory provision to define appropriate minimum data field lengths for electronic filings. FOOSL argued that this issue was directly related to the Joint Review Committee's review of debtor name sufficiency in 9-503(a). Following the Joint Review Committee's discussion of these preliminary concerns, the International Association of Commercial Administrators' (IACA) Secured Transaction and Information Technology Sections established the Electronic Filing/Character Field Lengths Committee to discuss data field length. IACA had an opportunity to review these topics and presented findings to its membership at the 2009 annual IACA Conference in Denver, Colorado. The Electronic Filing/Character Field Lengths Committee began to establish a minimum, as well as an optimum, data field length in order to better accommodate data entry of a sufficient debtor name in accordance with 9-503(a). This memo intends to identify the information and arguments made to the Joint Review Committee at the September 2009 meeting in Minneapolis, Minnesota. Additionally, IACA asks that the membership review the minimum and optimum character field lengths again in order to finalize our recommendations.

Data Field Lengths:

Last year, the Joint Review Committee discussed the growing popularity of electronic filing and the preliminary concerns regarding maximum data field sizes, electronic attachments and the difficulties this may pose for electronic submitters. At that time, FOOSL asked the Joint Review Committee to consider establishing minimum system capabilities and data field lengths in Article 9 or its official comment. Subsequently, IACA's Secured Transactions and Information Technology Sections established the Electronic Filing/Character Fields Committee. First, the Committee reviewed the existing data field lengths and electronic filing capabilities throughout its member jurisdictions. The State UCC Financing Statement Electronic Filing Capabilities spreadsheet, attached as Exhibit B, provides a general understanding of each state's existing capabilities.

At the 2009 IACA Conference, the Electronic Filing/Character Fields began establishing a minimum data field length for each debtor name field, the secured party name field, the mailing address field and the larger collateral fields. In our evaluations, IACA decided to conduct a case study in selected jurisdictions where accessible filing methods were available, such as Internet interfaces and/or extensible markup language (XML) filings. Additionally, IACA's case studies have a high volume of filings with excessively long existing data field lengths allowing us to calculate the percentages associated with various name lengths. Based on the criteria, California and Texas were chosen as IACA's case studies. In each study, IACA calculated the number of occurrences for each data length in order to determine a minimum field length capable of accommodating most data lengths. For each field, IACA determined the average data length, calculated the field lengths that accommodated the 99th percentile and then the 99.8th percentile with the intention of including the majority of data lengths. The information is set forth in Table 1 below, Data Field Length Statistics, along with the maximum field length in each state.

TABLE 1: Data Field Length Statistics

Field		Average	99%	99.8%	Max
Org Name (Debtor)	TX	26	60	77	300
	CA	25	83	79	300
Org Name (Secured Party)	TX	26	62	110	300
	CA	28	86	159	300
First Name	TX	5	10	13	50
	CA	5	10	13	50
Middle Name	TX	2	8	9	35
	CA	2	9	11	50
Last Name	TX	6	12	19	50
	CA	6	13	19	50
Suffix	CA	2	7	9	10
Mailing Address	CA	19	45	60	110

When IACA began this initiative, we were asked to review and establish minimum data field lengths to better assist submitters filing under the debtor's sufficient name pursuant to 9-503(a), while reducing the occurrences of hidden liens caused by a filing office using its own abbreviations. As IACA worked toward the establishment of a minimum field length, we were reminded that some states may be pursuing system developments and upgrades in the very near future. For this reason, it was in the best interest of our membership to work toward the establishment of an optimum data field length as well as a minimum data field length. In essence, all areas are covered because an optimum field length would allow us to plan ahead for those states upgrading their systems, while the minimum field length will eliminate the more drastic limitations existing in a smaller percentage of states.

TABLE 2: Data Field Lengths

Data Field	Optimum	Minimum
D - Organization Name	300	120
D - Individual Last Name	32	24
D - Individual Middle Name	16	10
D - Individual First Name	20	16
SP – Organization Name	300	120
Mailing Street Address	80	72
Collateral	Unlimited	64,000
Electronic Filing Capabilities	Allowable/Accessible	
Electronic Attachments	PDF capability	

Based on the existing data field lengths provided in Exhibit A, only the State of Utah is currently unable to accommodate the individual name minimum field lengths. For organization names, only New Jersey, Oklahoma, North Dakota, South Dakota, Vermont and West Virginia would be asked to lengthen their organization name fields. In some of these states, like North Dakota, the filing office is currently pursuing new system developments that will allow them to accommodate at least the minimum field lengths presented for discussion. As it has been relayed to IACA, the greatest deal of concern surrounds the debtor name fields and the majority of states are already capable of accommodating the minimum for those specific fields. Larger numbers of deviations from the minimum field length exist for the mailing address and collateral fields; however, these fields are not related to the Joint Review Committee's discussion on debtor name sufficiency.

Given the small number of deviations for debtor name fields, IACA argued that the circumstances are not significant enough to warrant a statutory provision in Article 9. With our initiatives already underway, IACA asked the Joint Review Committee to leave this issue to IACA's Committee until it is able to establish a recommended standard and report upon its adoption throughout our membership. IACA has been very successful with these initiatives in the past and we are confident that, given the initial opportunity to confront this issue, we can significantly bring about greater uniformity. We asked that the Joint Review Committee allow IACA an opportunity to work on this before resorting to setting a minimum system capability in the black letter law of Article 9 or its official comment.

As presented in the Task Force's report, the minimum system capabilities seemed focused upon the field lengths in an electronic filing. However, IACA's members argue that these data field lengths also correlate to the data entry field lengths, the type and size font able to fit on the UCC Forms as well as other fields. If the Joint Review Committee decided to address these capabilities in Article 9, it will initiate a slippery slope on the topic of field lengths for filing office data entry processes, search fields and XML field lengths. Moreover, should the Joint

Review Committee begin to address a technical issue like character field lengths, will it then take other technical considerations and system standards under advisement? IACA strongly suggests that these technical specifications are better addressed through alternative means. Many states are subject to additional regulations or statutes governing their technical capabilities and this revision may cause conflict. Additionally, it may take time for certain states to become compliant with a minimum system capability. If the minimum capabilities are presented in statutory form before IACA is given an opportunity to work on the issue and a state is presented with a standard that it is unable to accommodate, it will simply not adopt the change, thereby leading to greater inconsistency. We are confident that our efforts will be productive for all the interested parties; IACA shares the same concerns on this issue as the Joint Task Force on Filing Office Operations and Search Logic.

Conclusion:

Our member jurisdictions took the field lengths set forth in Table 2, Data Field Lengths, back to their offices following the 2009 IACA Conference in Denver, Colorado. At the 2010 IACA Conference in Austin, Texas, they reported back regarding the consequences of treating these lengths as an IACA recommendation. After discussing that the consequences would be minimal, IACA unanimously adopted a resolution to recommend the field lengths presented in Table 2, Data Field Lengths. Subsequently, reference was made to these recommendations by comment in the IACA Model Administrative Rules Sections 302.3 and 303.2.

State UCC Financing Statement ELECTRONIC FILING Capabilities

State	Filing Method		Electronic Attachments	Acknowledgment Format		Data Field Maximum Sizes					Address	Collateral	Character Set
	Web	XML		Web Filing	XML Filing	D -Org	D- Ind LN	D -Ind FN	D-Ind MN	SP-Org			
Alabama	Yes	No	No	PDF Form	NA	150	60	60	60	150	100	Unlimited	Other
Alaska	Yes	No	No	Letter	NA	?	?	?	?	?	?	Unlimited	Keyboard
Arizona	No	No	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	?
Arkansas	Yes	No	No	Screen Capture	NA	300	100	100	100	300	100	Unlimited	Keyboard
California	Yes	Yes	Web/XML	PDF Form	Tagged Text	300	50	50	50	300	110	512,000	Extended
Colorado	Yes	Yes	Web/XML	PDF Form	Tagged Text	250	100	75	75	250	70	Unlimited	Extended
Connecticut	No	No	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	?
Delaware	Yes	Yes	Web/XML	PDF Form	PDF Form	120	40	40	30	120	96	24,000	Keyboard
District of Columbia	Yes	No	No	PDF Form	NA	50	30	20	14	50	35	75,000	?
Florida	No	No	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	Extended
Georgia	No	No	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	Keyboard
Hawaii	No	No	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	?
Idaho	Yes	Yes	No	Screen Capture	Tagged Text	255	255	50	50	255	?	32,000	Keyboard
Illinois	Yes	Yes	XML Only	PDF Form	PDF Form	200	30	20	20	64	32	65,535	Keyboard
Indiana	Yes	No	No	Screen Capture	NA	128	128	64	64	128	128	Unlimited	Keyboard
Iowa	Yes	Yes	No	PDF Form	Tagged Text	100	50	50	50	100	60	9,200	Keyboard
Kansas	Yes	Yes	Web/XML	Screen Capture	Tagged Text	175	175	25	25	100	140	4,000	Keyboard
Kentucky	Yes	No	No	Screen Capture	NA	300	50	50	50	300	50	8,000	Keyboard
Louisiana	No	No	NA	NA	NA	60	26	17	17	60	42	240	Keyboard
Maine	Yes	No	No	PDF Other	NA	150	50	15	15	150	70	4,000	Keyboard
Maryland	No	No	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	Keyboard
Massachusetts	Yes	Yes	Web/XML	PDF Form	Tagged Text	175	35	25	25	175	110	Unlimited	Extended
Michigan	Yes	No	No	PDF Form	NA	250	70	40	20	250	50	64,000	Keyboard
Minnesota	Yes	Yes	XML Only	PDF Form	PDF Form	300	50	50	50	300	110	Unlimited	Keyboard
Mississippi	Yes	Yes	No	Screen Capture	PDF Other	300	100	100	100	500	500	Unlimited	Keyboard
Missouri	Yes	Yes	No	Screen Capture	Tagged Text	300	100	100	100	500	500	Unlimited	Keyboard
Montana	Yes	No	No	Screen Capture	NA	128	64	32	32	128	26	25,000	Keyboard
Nebraska	Yes	No	No	Screen Capture	NA	150	70	40	20	150	50	65,535	Keyboard
Nevada	Yes	No	No	PDF Form	NA	160	40	25	20	150	50	10,000	Keyboard
New Hampshire	Yes	Yes	No	Screen Capture	PDF Other	300	100	100	100	500	500	Unlimited	Keyboard
New Jersey	Yes	No	No	Letter	NA	60	60	60	60	60	60	1,500	Keyboard
New Mexico	Yes	Yes	No	Screen Capture	PDF Other	300	100	100	100	500	500	Unlimited	Keyboard
New York	Yes	Yes	No	PDF Form	Tagged Text	200	85	60	30	200	90	32,767	Other
North Carolina	Yes	Yes	No	Screen Capture	Tagged Text	300	100	100	100	500	500	Unlimited	Keyboard
North Dakota	Yes	No	No	Screen Capture	NA	80	40	22	10	80	20	300	Keyboard
Ohio	Yes	Yes	No	PDF Form	Tagged Text	300	100	100	100	300	161	Unlimited	Extended
Oklahoma	Yes	No	No	PDF Other	NA	64	64	64	64	64	64	65,000	Other
Oregon	No	No	NA	NA	NA	300	100	100	100	500	500	Unlimited	Keyboard
Pennsylvania	Yes	Yes	No	Screen Capture	Tagged Text	300	100	100	100	500	500	Unlimited	Keyboard
Rhode Island	Yes	No	No	PDF Form	NA	175	35	25	25	175	110	65,535	Keyboard
South Carolina	No	No	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	Other
South Dakota	Yes	No	No	Screen Capture	NA	50	44	44	44	80	30	10,000	Other
Tennessee	No	No	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	Keyboard
Texas	Yes	Yes	No	PDF Form	Tagged Text	300	50	50	50	300	110	Unlimited	Keyboard
Utah	Yes	No	No	Screen Capture	NA	125	14	14	14	125	50	4,000	Extended
Vermont	Yes	No	No	Screen Capture	NA	33	33	33	33	33	30	12,000	Keyboard
Virginia	No	No	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	Keyboard
Washington	Yes	Yes	Web/XML	PDF Form	Tagged Text	300	100	100	100	300	250	28,500	Keyboard
West Virginia	Yes	No	No	Email	NA	75	30	20	16	75	34	?	Other
Wisconsin	Yes	No	No	PDF Other	NA	300	100	100	100	300	100	150,000	Keyboard
Wyoming	Yes	No	No	PDF Other	NA	128	?	?	?	128	?	98,000	Keyboard