

LEGISLATURE OF NEBRASKA
ONE HUNDRED NINTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 783

Introduced by Hallstrom, 1.

Read first time January 07, 2026

Committee: Banking, Commerce and Insurance

1 A BILL FOR AN ACT relating to liens; to amend section 76-902, Revised
2 Statutes Supplement, 2025; to adopt the Uniform Assignment for
3 Benefit of Creditors Act; to provide an exemption to the documentary
4 stamp tax; to provide severability; and to repeal the original
5 section.

6 Be it enacted by the people of the State of Nebraska,

1 **Section 1.** Sections 1 to 26 of this act shall be known and may be
2 cited as the Uniform Assignment for Benefit of Creditors Act.

3 **Sec. 2.** In the Uniform Assignment for Benefit of Creditors Act:

4 (1) Affiliate means:

5 (A) a person that directly or indirectly owns, controls, or holds,
6 with power to vote, twenty percent or more of the outstanding voting
7 interests of another person, other than a person that holds the
8 interests:

9 (i) in a fiduciary or agency capacity without sole discretionary
10 power to vote the interests; or

11 (ii) solely to secure a debt, if the person has not in fact
12 exercised the power to vote;

13 (B) a person with twenty percent or more of the person's outstanding
14 voting interests directly or indirectly owned, controlled, or held, with
15 power to vote, by another person;

16 (C) a person whose business is operated under a lease or operating
17 agreement by another person, or a person substantially all of whose
18 assets are controlled by the other person; or

19 (D) a person that operates the business or substantially all the
20 assets of another person under a lease or operating agreement.

21 (2) Asset means a legal or equitable interest in property of an
22 assignor, regardless of the person holding or in possession, custody, or
23 control of the property or where the property is located. The term does
24 not include:

25 (A) a legal or equitable interest in property restricted from
26 assignment if the restriction is effective under other law, unless the
27 other law permits assignment with the consent of another person and the
28 person consents to the assignment in a manner permitted by the other law;
29 or

30 (B) if the assignor is an individual, a legal or equitable interest
31 in property to the extent it is exempt from legal process under other

1 law.

2 (3) Assigned asset means an asset transferred under an assignment.

3 (4) Assignee means a person to which assets are transferred under an
4 assignment.

5 (5) Assignment means a transfer by a person of all the person's
6 assets to another person for the benefit of the transferor's creditors.

7 (6) Assignment agreement means an agreement that transfers or
8 provides for a transfer of all the assignor's assets.

9 (7) Assignment estate means the assets held at a given time by the
10 assignee under an assignment.

11 (8) Assignor means a person whose assets are transferred under an
12 assignment.

13 (9) Claim means a creditor's right to payment or to an equitable
14 remedy, regardless of whether the right is reduced to judgment,
15 liquidated, unliquidated, fixed, contingent, matured, unmatured,
16 disputed, undisputed, legal, equitable, secured, or unsecured.

17 (10) Cohabitant means each of two individuals not married to each
18 other who live together as a couple after each has reached the age of
19 majority or been emancipated.

20 (11) Creditor means a person that has a claim against an assigned
21 asset or the assignor.

22 (12) Electronic means relating to technology having electrical,
23 digital, magnetic, wireless, optical, electromagnetic, or similar
24 capabilities.

25 (13) Good faith means honesty in fact and the observance of
26 reasonable commercial standards of fair dealing.

27 (14) Insider includes:

28 (A) in the case of an individual:

29 (i) a relative of the individual;

30 (ii) a partnership or limited liability company in which the
31 individual is a general partner or managing member; or

1 (iii) an organization of which the individual is a director,
2 officer, or person in control;

3 (B) in the case of an organization:

4 (i) a director, officer, manager, or other person in control of or
5 with controlling equity interest in the organization;

6 (ii) a partnership or limited liability company in which the
7 organization is a general partner or managing member;

8 (iii) a general partner or managing member of the organization; or
9 (iv) a relative of a general partner, managing member, director,

10 officer, manager, or other person in control of or with controlling
11 equity interest in the organization;

12 (C) an affiliate; or

13 (D) a managing agent of an organization.

14 (15) Lien means an interest in an asset that secures payment or
15 performance of an obligation.

16 (16) Organization means a person other than an individual.

17 (17) Perfected lien means a lien on:

18 (A) real property other than fixtures on which a bona fide purchaser
19 of the property cannot acquire an interest superior to the interest of
20 the lienholder; or

21 (B) fixtures or property other than real property on which a
22 creditor cannot acquire a lien by attachment, levy, or the like that is
23 superior to the interest of the lienholder.

24 (18) Person means an individual, estate, business or nonprofit
25 entity, government or governmental subdivision, agency, or
26 instrumentality, or other legal entity. The term includes a protected
27 series, however denominated, of an entity if the protected series is
28 established under law that limits, or limits if conditions specified
29 under law are satisfied, the ability of a creditor of the entity or of
30 any other protected series of the entity to satisfy a claim from assets
31 of the protected series.

1 (19) Proof of claim means a record a creditor submits to an assignee
2 to evidence the creditor's claim.

3 (20) Record means information:

4 (A) inscribed on a tangible medium; or

5 (B) stored in an electronic or other medium and retrievable in
6 perceivable form.

7 (21) Relative means an individual related by affinity or
8 consanguinity within the third degree or a cohabitant.

9 (22) Security interest means a lien created by an agreement.

10 (23) Send, in connection with a record or notification, means:

11 (A) to deposit in the mail, deliver for transmission, or transmit by
12 any other usual means of communication, with postage or cost of
13 transmission provided for, addressed to any address reasonable under the
14 circumstances; or

15 (B) to cause the record or notification to be received within the
16 time it would have been received if properly sent under subdivision (23)
17 (A) of this section.

18 (24) Sign means, with present intent to authenticate or adopt a
19 record:

20 (A) execute or adopt a tangible symbol; or

21 (B) attach to or logically associate with the record an electronic
22 symbol, sound, or process.

23 (25) State means a state of the United States, the District of
24 Columbia, Puerto Rico, the United States Virgin Islands, or any other
25 territory or possession subject to the jurisdiction of the United States.
26 The term includes a federally recognized Indian tribe.

27 (26) Transfer means disposing of or parting with an asset or with an
28 interest in an asset, regardless of whether the disposition or parting is
29 indirect, conditional, or involuntary.

30 **Sec. 3.** The Uniform Assignment for Benefit of Creditors Act applies
31 to an assignment made by an assignor that is:

1 (1) an organization whose principal place of business is in this
2 state;

3 (2) an organization whose internal affairs are governed by other law
4 of this state;

5 (3) an individual whose principal residence is in this state;

6 (4) an organization wholly owned, directly or indirectly, by an
7 assignor that satisfies subdivision (1), (2), or (3) of this section; or
8 (5) an organization that:

9 (A) is partly owned, directly or indirectly, and controlled by an
10 assignor that satisfies subdivision (1), (2), or (3) of this section;

11 (B) has no place of business or employees; and

12 (C) relies on the services the organization receives from an
13 assignor that satisfies subdivision (1), (2), or (3) of this section.

14 **Sec. 4.** (a) An assignee must be a person that:

15 (1) is not a creditor, affiliate, or insider of the assignor;

16 (2) is not an affiliate or insider of a creditor of the assignor;

17 (3) does not have a claim against the assignment estate, other than
18 a claim for fees and expenses to be paid under the assignment agreement;

19 (4) does not have a material financial interest in the outcome of
20 the assignment, other than a claim for fees and expenses to be paid under
21 the assignment agreement;

22 (5) does not hold an equity interest in the assignor other than a
23 noncontrolling interest in a publicly traded company; and

24 (6) is not an affiliate of a person that fails to satisfy
25 subdivision (a)(1), (2), (3), (4), or (5) of this section.

26 (b) A person that satisfies subsection (a) of this section is not
27 precluded from being an assignee merely because the person performed
28 services for the assignor before the assignment.

29 (c) An assignment agreement must be in a record signed by the
30 assignor and the assignee. The record must:

31 (1) state the name and address of the assignor and of the assignee;

1 (2) transfer or provide for a transfer of all the assignor's assets;
2 (3) describe the assigned assets in sufficient detail to identify
3 the assets;

4 (4) provide for the distribution of the assignment estate;
5 (5) describe the fees to be charged by the assignee in connection
6 with the assignment, including the basis on which they are to be
7 calculated; and

8 (6) include a representation by the assignor, under penalty of
9 perjury, that the assignor is assigning all the assignor's assets.

10 (d) If an assignee relies in good faith on the assignor's
11 representation made under subdivision (c)(6) of this section, all the
12 assignor's assets are deemed to be assigned, even if the representation
13 is inaccurate.

14 **Sec. 5.** (a) An assignee obtains the rights, title, and interests of
15 the assignor in the assigned assets.

16 (b) If the assignor is an organization, an assignee obtains the
17 rights, title, and interests of the assignor in assets acquired after the
18 assignment.

19 (c) Except as provided in subdivision (b)(12) of section 10 of this
20 act, an assignee takes each assigned asset subject to an existing
21 interest in the asset held by another person.

22 (d) An assignee holds the assigned assets subject to the assignee's
23 duties under section 9 of this act.

24 (e) An assignment is subject to other law under which the assignment
25 may be fraudulent or otherwise voidable.

26 (f) The effective date of an assignment agreement is the date the
27 agreement is signed by the last party to the agreement that is required
28 to sign the agreement unless a later date is identified in the agreement
29 as the effective date.

30 **Sec. 6.** (a) In this section, financing statement has the same
31 meaning as in section 9-102, Uniform Commercial Code.

1 (b) An assignee of a legal or equitable interest in personal
2 property may file a financing statement in the filing office of:

3 (1) this state established for purposes of section 9-501, Uniform
4 Commercial Code;

5 (2) any other state in which:

6 (A) the assignor would be located under section 9-307, Uniform
7 Commercial Code, if the assignor were a debtor for the purpose of that
8 section; or

9 (B) an asset of the assignment estate may be located.

10 (c) A financing statement filed under subsection (b) of this section
11 must indicate that it is filed in connection with an assignment.

12 (d) When filing a financing statement under subsection (b) of this
13 section, the assignee must:

14 (1) attach a copy of the assignment agreement to the financing
15 statement; or

16 (2) state on the financing statement that a copy of the assignment
17 agreement is available on request to the assignee.

18 (e) A financing statement filed under subsection (b) of this section
19 may:

20 (1) designate the assignor as debtor and the assignee as secured
21 party; or

22 (2) use the terms assignor and assignee or words of similar import.

23 (f) The filing of a financing statement under subsection (b) of this
24 section is not itself a factor in determining whether an asset secures an
25 obligation. The rights of the assignee under the assignment are not
26 affected if the assignee does not file a financing statement under
27 subsection (b) of this section.

28 (g) An assignee of a legal or equitable interest in real property
29 shall record the assignment of the interest or notice of the assignment
30 under the real estate recording law of the jurisdiction where the
31 property is located.

1 (h) An assignee shall comply with other law governing the transfer
2 of title to an asset.

3 (i) By signing an assignment agreement, the assignor authorizes the
4 assignee to take the actions required by this section.

5 **Sec. 7.** (a) Unless a creditor waives in a signed record the right
6 to notification, an assignee shall send a notification of the assignment
7 to each creditor known to the assignee within a reasonable time not to
8 exceed thirty days after the effective date of the assignment agreement.

9 (b) The notification must:

10 (1) be in a record signed by the assignee;

11 (2) include the assignee's name, address, and other contact
12 information reasonably necessary to communicate with the assignee;

13 (3) provide reasonable instructions for submitting a proof of claim
14 using the method established by the assignee under subdivision (b)(5) of
15 section 9 of this act; and

16 (4) identify the date established under subdivision (b)(6) of
17 section 9 of this act by which each creditor whose claim is not otherwise
18 allowed without a timely proof of claim under the Uniform Assignment for
19 Benefit of Creditors Act must submit a proof of claim.

20 (c) An assignee shall use reasonable means to provide the
21 information in subsection (b) of this section to unknown creditors,
22 including by any means the assignor regularly used to:

23 (1) provide information to the assignor's creditors; or

24 (2) communicate information about the assignor, other than
25 advertising, to the public.

26 **Sec. 8.** (a) Subject to section 23 of this act, an assignor has a
27 duty to take all reasonable actions necessary for the assignee to
28 administer the assignment, the assigned assets, and the assignment
29 estate.

30 (b) In furtherance of the duty under subsection (a) of this section,
31 the assignor shall:

1 (1) preserve and turn over to the assignee the assigned assets in
2 the assignor's possession or control;

3 (2) provide to the assignee information reasonably necessary to
4 administer the assignment, the assigned assets, and the assignment
5 estate;

6 (3) sign any record reasonably necessary to transfer an assigned
7 asset and comply with any notarization required under other law;

8 (4) designate, and provide the assignee with the name, address, and
9 other contact information reasonably necessary to communicate with, an
10 appropriate person willing and able to act as a representative on behalf
11 of the assignor as may be reasonably necessary to administer the
12 assignment, the assigned assets, and the assignment estate;

13 (5) if the assignment includes a legal or equitable interest in real
14 property or titled personal property, cooperate with the assignee in
15 taking actions under section 6 of this act;

16 (6) on or as soon as practicable after the effective date of the
17 assignment agreement, provide the assignee:

18 (A) a list of all assets;

19 (B) a list of all the assignor's employees, including those whose
20 employment is terminated in connection with the assignment; and

21 (C) a list of all the assignor's known creditors, including, for
22 each creditor, the creditor's address and other contact information
23 reasonably necessary to communicate with the creditor;

24 (7) verify under penalty of perjury the accuracy of the lists
25 required under subdivision (b)(6) of this section;

26 (8) with respect to a legal or equitable interest in property
27 restricted from assignment, cooperate with the assignee to obtain consent
28 from a person whose consent to assign the interest is necessary under
29 other law; and

30 (9) provide assistance to the assignee as required by the assignment
31 agreement.

1 (c) The duties in this section also apply to a representative
2 designated under subdivision (b)(4) of this section.

3 **Sec. 9.** (a) Subject to section 23 of this act, an assignee has a
4 fiduciary duty to the assignment estate for the benefit of creditors:

5 (1) of loyalty, including the duty to manage the assignment in good
6 faith;

7 (2) to use reasonable care to maximize distributions under section
8 15 of this act; and

9 (3) to wind up the assignment under section 19 of this act in a
10 manner compatible with the best interests of the assignment estate and
11 creditors.

12 (b) Without limitation on the duties under subsection (a) of this
13 section, and subject to section 23 of this act, the assignee also has a
14 duty to:

15 (1) maintain a separate deposit account for funds related to the
16 assignment;

17 (2) collect on or dispose of each assigned asset, unless the
18 assignee determines it is more economically efficient to abandon the
19 asset;

20 (3) prepare and retain appropriate business records, including a
21 record of each receipt, disbursement, and collection on or disposition of
22 an assigned asset;

23 (4) pay administrative expenses of the assignment estate, to the
24 extent the assignment estate has sufficient unencumbered assets;

25 (5) establish a method that is reasonably designed to permit a
26 creditor to submit a proof of claim;

27 (6) establish a single date by which creditors whose claims are not
28 otherwise allowed without timely proofs of claim under the Uniform
29 Assignment for Benefit of Creditors Act must submit proofs of claim,
30 which must be not less than ninety days and not more than two hundred ten
31 days after the effective date of the assignment agreement;

1 (7) unless a claim would receive minimal or no distribution without
2 regard to the claim's validity or asserted priority, examine the validity
3 and priority of claims against the assignment estate and, if necessary,
4 consult with the representative designated by the assignor under
5 subdivision (b)(4) of section 8 of this act;

6 (8) at least every six months, provide to each creditor a summary of
7 the assets, liabilities, and expenses of the assignment estate;

8 (9) comply with all requirements of the Internal Revenue Service and
9 state and local taxing authorities;

10 (10) send a notification to each creditor of the assignee's
11 compensation and any change in the method of determining the assignee's
12 compensation from the method provided in the assignment agreement;

13 (11) send a final accounting under subsection (a) of section 19 of
14 this act; and

15 (12) comply with the other requirements imposed on the assignee
16 under the Uniform Assignment for Benefit of Creditors Act.

17 **Sec. 10.** (a) An assignee has the powers necessary or appropriate to
18 perform the assignee's duties.

19 (b) Unless the assignment agreement expressly provides otherwise,
20 the assignee has power to:

21 (1) operate an existing business that uses an assigned asset,
22 including preservation of the asset and collection on, or the sale,
23 lease, license, or other disposition of, the asset;

24 (2) incur secured or unsecured debt and pay expenses incidental to
25 the exercise of the power under subdivision (b)(1) of this section;

26 (3) assert a right, claim, cause of action, or defense the assignor
27 could have asserted that relates to the assignment estate;

28 (4) engage professionals, including a professional previously
29 engaged by the assignor, to give advice, to prosecute or defend
30 litigation, or for other purposes as the assignee considers appropriate,
31 and pay professionals reasonable fees for services from the assignment

1 estate;

2 (5) collect on, or sell, lease, license, or otherwise dispose of, an
3 asset of the assignment estate regardless of whether the asset is subject
4 to a lien or other encumbrance;

5 (6) exercise a right to redeem an asset of the assignment estate
6 that is subject to a mortgage, deed of trust, security interest, or other
7 encumbrance;

8 (7) settle a matter involving a debtor of the assignor;

9 (8) prosecute or defend a litigation pending on the effective date
10 of the assignment agreement in favor of or against the assignor in the
11 manner and with the same effect as the assignor could have done if the
12 assignment had not been made;

13 (9) recover an asset in the manner and with the same effect as the
14 assignor could have done if the assignment had not been made;

15 (10) settle claims against the assignment estate;

16 (11) abandon an assigned asset;

17 (12) subject to subsections (c) and (e) of this section, avoid a
18 transfer or the incurrence of an obligation which a creditor that has
19 filed a proof of claim could have avoided under other law if the
20 assignment had not been made; and

21 (13) invest funds, subject to applicable prudent investor standards
22 under other law.

23 (c) The power under subdivision (b)(12) of this section is exclusive
24 to the assignee with respect to a creditor that submits a proof of claim.
25 A recovery by the assignee in the exercise of this power must be for the
26 benefit of the assignment estate but may not exceed the amount, asset, or
27 other value the creditor could have obtained by the avoidance.

28 (d) For the purpose of exercising the assignee's power under
29 subdivision (b)(12) of this section, exercising a voidable-transaction
30 remedy, or otherwise establishing the priority of the assignee's
31 interest, an assignee has a lien on the assignment estate and the status

1 of:

2 (1) a lien creditor under section 9-102, Uniform Commercial Code, as
3 to an asset that is a legal or equitable interest in personal property or
4 fixtures;

5 (2) a bona fide purchaser under the law of this state as to an asset
6 that is a legal or equitable interest in real property, other than
7 fixtures, located in this state; and

8 (3) a bona fide purchaser under the law of another state as to an
9 asset that is a legal or equitable interest in real property, other than
10 fixtures, located in the other state.

11 (e) An assignee's power under subdivision (b)(12) of this section to
12 avoid a transfer made before the effective date of the assignment
13 agreement, under or in connection with a swap agreement, securities
14 contract, commodity contract, forward contract, repurchase agreement, or
15 master netting agreement, is limited to the extent a trustee would not
16 have the power to avoid the transfer under the Bankruptcy Code, 11 U.S.C.
17 101 et seq.

18 (f) An assignee shall exercise the powers under this section
19 consistent with the assignee's fiduciary duty under subsection (a) of
20 section 9 of this act.

21 **Sec. 11. (a) An assignee shall allow a creditor's claim if:**

22 (1) the creditor submits a proof of claim in compliance with section
23 13 of this act; and

24 (2) the assignee does not dispute the claim under section 12 of this
25 act before final distribution.

26 **(b) An assignee may:**

27 (1) allow a claim, pay a known liquidated claim, or accept a notice
28 to the assignee of a claim received by the date established by the
29 assignee under subdivision (b)(6) of section 9 of this act even if the
30 creditor does not submit a proof of claim; or

31 (2) allow and pay a claim evidenced by a late-filed proof of claim,

1 if the assignee determines there is a reasonable basis for excusing the
2 late filing.

3 (c) Any unsecured portion of an allowed claim shall be valued as of
4 the effective date of the assignment agreement.

5 (d) A creditor's claim is allowed if the creditor succeeds in a
6 dispute under subsection (b) of section 12 of this act.

7 (e) Subject to subsection (f) of this section, after expiration of
8 the time for submitting a proof of claim, the assignee shall create a
9 complete list of creditors that have submitted a proof of claim in
10 compliance with section 13 of this act. For each creditor's claim, the
11 list must state:

12 (1) the amount of the claim, if the amount is known to the assignee;
13 and

14 (2) whether the claim is secured or unsecured and, if secured,
15 describe the collateral for the claim.

16 (f) If a class of creditors will receive no distribution on account
17 of allowed claims, the assignee shall send a notice in a record to each
18 creditor in that class that the creditor will receive no distribution
19 instead of the list required in subsection (e) of this section.

20 (g) If requested by a creditor or other party with an interest in
21 the assignment estate, the assignee shall provide the list created under
22 subsection (e) of this section to the person making the request to the
23 extent permitted by privacy laws and subject to any privacy safeguards
24 the assignee determines in the assignee's business judgment are
25 reasonably necessary.

26 **Sec. 12.** (a) An assignee may dispute a creditor's claim before
27 final distribution by sending notification in a record stating the nature
28 of the assignee's dispute to the creditor.

29 (b) If a dispute cannot be resolved consensually, the assignee may
30 commence a proceeding under section 21 of this act to disallow the claim.
31 The assignee must commence the proceeding before final distribution under

1 section 15 of this act. If the proceeding is not filed before final
2 distribution, the assignee shall allow the claim under section 11 of this
3 act.

4 (c) An assignee shall create a dollar-for-dollar reserve for the
5 estimated amount of the potential distribution on a disputed claim.

6 (d) Subject to subsection (b) of this section, an assignee shall
7 disallow a claim for reimbursement or contribution of a person that is
8 liable with the assignor on, or that has secured, the claim, to the
9 extent:

10 (1) the claim against the assignment estate is disallowed;

11 (2) the claim for reimbursement or contribution is contingent as of
12 the time of allowance or disallowance; or

13 (3) the person asserts a right of subrogation to the rights of a
14 creditor.

15 (e) A claim for reimbursement or contribution of a person liable
16 with the assignor on, or that has secured, the claim that becomes fixed
17 after the effective date of the assignment agreement shall be determined,
18 and shall be allowed or disallowed, subject to subsection (b) of this
19 section, as if the claim had become fixed before the effective date of
20 the assignment agreement.

21 (f) An assignee may reconsider the assignee's decision to allow or
22 disallow a claim for cause. If a reconsidered claim is allowed under
23 section 11 of this act, before the assignee makes additional payments or
24 transfers to other creditors that are equal or junior in priority under
25 section 15 of this act to the reconsidered claim, the creditor with the
26 reconsidered claim shall receive a payment or transfer in an amount
27 proportionate in value to the payments or transfers already received by
28 the other creditors. This subsection does not modify the assignee's right
29 under other law to recover from a creditor an excess payment or transfer
30 made to the creditor. If a reconsidered claim is disallowed, the assignee
31 shall comply with subsections (b) and (c) of this section.

1 **Sec. 13.** (a) A proof of claim must:

2 (1) state the name, address, and other contact information

3 reasonably necessary to communicate with the creditor;

4 (2) state the amount of the claim;

5 (3) briefly state the nature of the claim;

6 (4) identify any asset of the assignment estate securing the claim;

7 (5) be signed by the creditor under penalty of perjury;

8 (6) include a copy of a record, if any, on which the claim is based;

9 (7) be submitted using the method established under subdivision (b)

10 (5) of section 9 of this act; and

11 (8) be submitted by the date established by the assignee under

12 subdivision (b)(6) of section 9 of this act.

13 (b) A proof of claim submitted in compliance with this section is

14 prima facie evidence of the validity and amount of the claim.

15 (c) The submission by a creditor of a proof of claim in compliance

16 with this section constitutes the creditor's:

17 (1) consent to the jurisdiction of the court under section 21 of

18 this act; and

19 (2) assignment to the assignee of any right of the creditor to bring

20 a voidable transaction action relating to the creditor's claim.

21 **Sec. 14.** (a) An assignee's disposition of an asset:

22 (1) transfers to a transferee for value all of the assignee's rights

23 in the asset;

24 (2) discharges the assignee's lien and, to the extent the assignment

25 creates a security interest in favor of the assignee, the assignee's

26 security interest; and

27 (3) discharges any subordinate security interest or other lien

28 subordinate to the assignee's lien.

29 (b) A transferee that acts in good faith takes free of the rights

30 and interests described in subsection (a) of this section, even if the

31 assignee fails to comply with the Uniform Assignment for Benefit of

1 Creditors Act or the requirements of a judicial proceeding.

2 (c) If a transferee does not take free of the rights and interests
3 described in subsection (a) of this section, the transferee takes the
4 asset subject to:

5 (1) the assignee's rights in the assets of the assignment estate;

6 (2) the assignee's lien and, if applicable, security interest; and

7 (3) any other security interest or other lien.

8 (d) Unless otherwise provided in a record, any warranty arising by
9 operation of other law is disclaimed to the extent permitted by other
10 law.

11 (e) If a subordinate security interest or other lien is discharged
12 under this section, the assignee may file a record with the official or
13 office responsible for maintaining an official filing, recording,
14 registration, or certificate-of-title system covering the asset secured
15 by the security interest or other lien. The record must state that the
16 security interest or other lien is discharged as a subordinate security
17 interest or other lien in connection with a disposition under an
18 assignment for the benefit of creditors of the assignor whose asset is
19 subject to the security interest or other lien.

20 Sec. 15. (a) In this section, protected secured creditor means a
21 secured creditor whose lien:

22 (1) is a perfected lien;

23 (2) cannot be avoided by the assignee under subdivision (b)(12) of
24 section 10 of this act; and

25 (3) is not subordinate to the assignee's lien.

26 (b) Except as provided in section 16 of this act, the assignee shall
27 pay claims from the assignment estate allowed under section 11 of this
28 act in the order of priority stated in this section.

29 (c) Unless otherwise agreed between the assignee and a protected
30 secured creditor, before distributions under subsections (d), (e), (f),
31 and (g) of this section, and in accordance with the priorities of

1 creditors with liens under other law, the protected secured creditor
2 shall receive the asset or the proceeds from the collection on or
3 disposition of the asset to the extent of the value of the protected
4 secured creditor's interest in the asset, less the assignee's reasonable
5 and necessary expenses of preserving or disposing of the asset to the
6 extent the expenses benefit the protected secured creditor and are
7 incurred with the protected secured creditor's consent or acquiescence.
8 The protected secured creditor has an unsecured claim under subdivision
9 (g)(2) of this section for the amount of the claim that remains after
10 deducting the amount or value of an asset the protected secured creditor
11 receives under this subsection. To the extent a claim is secured by an
12 asset the value of which, after the deductions provided under this
13 subsection, is greater than the amount of the claim, the protected
14 secured creditor may receive interest on the claim and any reasonable
15 fees, costs, or charges provided for under the agreement or other law
16 under which the claim arose.

17 (d) After the distributions under subsection (c) of this section,
18 the assignee shall pay the necessary costs of the administration of the
19 assignment estate. The costs include:

20 (1) fees and reimbursements of the expenses of the assignee and any
21 professionals engaged by the assignee;

22 (2) post-assignment taxes incurred by the assignee;

23 (3) post-assignment rent incurred by the assignee in occupying
24 premises on which assets of the assignment estate are located or the
25 business of the assignor is conducted;

26 (4) post-assignment lease payments incurred by the assignee in
27 renting personal property used in the business of the assignor; and

28 (5) amounts required to be paid under the assignment agreement for
29 expenses of winding up the assignment under section 19 of this act.

30 (e) After the distributions under subsections (c) and (d) of this
31 section, the assignee shall pay claims entitled to priority under federal

1 law including under 31 U.S.C. 3713 from the assignment estate.

2 (f) After the distributions under subsections (c), (d), and (e) of
3 this section, the assignee shall pay claims from the assignment estate
4 for wages, salaries, or commissions earned not more than one hundred
5 eighty days before the earlier of the effective date of the assignment
6 agreement or the cessation of the assignor's business. Payment shall be
7 limited to the greater of:

8 (1) the amount of the claim allowed as a priority claim ahead of
9 claims of other unsecured creditors under the Bankruptcy Code, 11 U.S.C.
10 101 et seq.; or

11 (2) the amount allowed as a priority claim ahead of claims of other
12 unsecured creditors under applicable nonbankruptcy law.

13 (g) After the distributions under subsections (c), (d), (e), and (f)
14 of this section, each creditor shall receive a distribution of the assets
15 of the assignment estate in the following order of priority:

16 (1) unsecured claims entitled to priority ahead of claims of other
17 unsecured creditors under other law; and

18 (2) unsecured claims not entitled to priority.

19 (h) If the assets available for distribution to claims with equal
20 priority under subsection (g) of this section are insufficient to pay the
21 total amount of the claims with that priority, each creditor with a claim
22 with that priority shall receive a pro rata distribution of the available
23 assets based on the proportion the amount of the creditor's claim bears
24 to the total amount of the claims with that priority.

25 (i) If the claims entitled to the distribution under subsections
26 (c), (d), (e), (f), and (g) of this section are paid in full, the residue
27 shall be distributed to allowed claims evidenced by a late-filed proof of
28 claim, other than a late-filed claim allowed by the assignee under
29 subdivision (b)(2) of section 11 of this act, and, after the allowed
30 claims evidenced by a late-filed proof of claim have been paid in full,
31 as provided in the assignment agreement.

1 (j) An assignee may make interim distributions after considering
2 future expenses and the reserves for disputed claims established under
3 subsection (c) of section 12 of this act.

4 **Sec. 16.** (a) A subordination agreement is enforceable under the
5 Uniform Assignment for Benefit of Creditors Act to the same extent the
6 agreement is enforceable under other law.

7 (b) Subject to subsection (c) of this section, the following claims
8 are subordinate to a claim or interest that is senior or equal in
9 priority to a claim or interest represented by a security or other equity
10 interest in the assignor or an affiliate of the assignor:

11 (1) a claim arising from rescission of a purchase or sale of the
12 security or other equity interest;

13 (2) a claim for damages arising from the purchase or sale of the
14 security or other equity interest; and

15 (3) a claim for reimbursement or contribution allowed on account of
16 the rescission or damage claim.

17 (c) If the security is common stock or another common equity
18 interest, a claim subject to subordination under subsection (b) of this
19 section has the same priority as common stock or another common equity
20 interest.

21 **Sec. 17.** (a) An assignor is not personally liable for an act or
22 omission by the assignee.

23 (b) An assignee is not personally liable for an act or omission by
24 the assignor.

25 (c) A representative designated by an assignor under subdivision (b)
26 (4) of section 8 of this act is exculpated to the same extent as a person
27 acting on behalf of the assignor under other law had there been no
28 assignment, except for an act or omission resulting from the
29 representative's gross negligence or willful misconduct.

30 (d) A term of an assignment agreement relieving the assignee of
31 liability is unenforceable to the extent the agreement relieves the

1 assignee of liability for an act or omission committed in bad faith or
2 with reckless indifference to the purposes of the assignment or the
3 interests of the creditors of the assignment estate.

4 (e) Subject to subsection (f) of this section, an assignee is
5 personally liable for breach of a fiduciary duty under subsection (a) of
6 section 9 of this act. If the assignee is liable:

7 (1) the assignee is personally liable to a creditor for an
8 individualized harm to the creditor if the harm is not shared by all
9 creditors or a class of creditors; and

10 (2) the assignee is personally liable to the assignment estate for a
11 harm shared by all creditors or a class of creditors.

12 (f) An assignee is not liable if, in the performance of the
13 assignee's duties and exercise of the assignee's powers, the assignee
14 relies in good faith on:

15 (1) a record of the assignor;

16 (2) information, an opinion, a report, or a statement presented to
17 the assignee by the assignor's officer or employee, a committee of the
18 assignor's board of directors, an independent director or manager of the
19 assignor, or another representative of the assignor; or

20 (3) information, an opinion, a report, or a statement presented to
21 the assignee by another person that has been selected with reasonable
22 care by or on behalf of the assignee as to a matter the assignee
23 reasonably believes is within the other person's professional or expert
24 competence.

25 **Sec. 18.** (a) The assignor or a creditor may request a court of
26 competent jurisdiction in this state to remove the assignee, if the
27 assignor or creditor has a reasonable belief grounds for removal exist
28 under subsection (b) of this section.

29 (b) After a request under subsection (a) of this section or on the
30 court's initiative in an action pending before the court under section 21
31 of this act, the court may remove an assignee:

1 (1) for cause, including the assignee's fraud, dishonesty,
2 incompetence, gross mismanagement, or failure to comply with the Uniform
3 Assignment for Benefit of Creditors Act; or

4 (2) if removal of the assignee best serves the interests of the
5 creditors.

6 (c) After an assignee resigns, or is removed, dies, or becomes
7 incapacitated, a successor assignee provided for in the assignment
8 agreement becomes the assignee, unless the successor assignee is not
9 eligible to be an assignee under subsection (a) of section 4 of this act
10 or is subject to removal under subsection (b) of this section. A court
11 shall appoint a successor assignee if:

12 (1) the assignment agreement does not provide for a successor
13 assignee; or

14 (2) the successor assignee provided for in the assignment agreement
15 is ineligible to be an assignee under subsection (a) of section 4 of this
16 act or is subject to removal under subsection (b) of this section.

17 (d) Subject to section 17 of this act, an assignee that resigns, or
18 is removed, dies, or becomes incapacitated, is discharged from the
19 assignee's duties under the Uniform Assignment for Benefit of Creditors
20 Act when the assignee, or a representative of a deceased or incapacitated
21 assignee:

22 (1) accounts for and turns over to the successor assignee all assets
23 of the assignment estate; and

24 (2) submits to creditors a report summarizing the receipts and
25 disbursements made during the service of the assignee.

26 (e) Subject to an applicable privilege, a court may order an
27 attorney, accountant, or other person that has information in a record
28 relating to the assignment estate or the assignor's financial affairs to
29 turn over or disclose the record to the successor assignee.

30 **Sec. 19.** (a) On completion of an assignee's duties, the assignee
31 shall send a creditor whose claim is allowed under section 11 of this

1 act, and not satisfied in full, a final accounting sufficient to inform
2 the creditor of all material aspects of the assignment, including:

3 (1) a description of the actions taken by the assignee under the
4 assignment;

5 (2) a summary of the assets received by the assignee at the
6 commencement of the assignment and the assets received by the assignee
7 during the assignment;

8 (3) a summary of disbursements made by the assignee during the
9 assignment for the purpose of administering the assignment estate,
10 including the fees charged by the assignee, and payments to
11 professionals, for rent, and for business purchases;

12 (4) a summary of collections and dispositions of assets by the
13 assignee;

14 (5) a summary of distributions made or proposed to be made by the
15 assignee for creditor claims;

16 (6) a description of additional work to be done by the assignee to
17 complete the administration of the assignment estate and the
18 distributions under section 15 of this act; and

19 (7) other information considered reasonably necessary by the
20 assignee.

21 (b) Except as otherwise provided in the final accounting or if the
22 assignee has not fulfilled the assignee's duties under the Uniform
23 Assignment for Benefit of Creditors Act, the assignee is discharged from
24 the assignee's duties under the act when the assignee sends the final
25 accounting and distributes all the assets of the assignment estate.

26 (c) If the final accounting describes additional work under
27 subdivision (a)(6) of this section, the assignee shall exercise the
28 powers appropriate to complete the work.

29 **Sec. 20.** (a) Subject to subsection (b) of this section, an
30 assignment made under the law of another state must be recognized and
31 enforced on an issue if the result for the issue would be substantially

1 similar to the result for the issue if the assignment had been made under
2 the Uniform Assignment for Benefit of Creditors Act.

3 (b) If a claim for wages, salaries, or commissions or a claim of a
4 governmental unit exists in another state, for the purpose of determining
5 the priority of the claim under subdivision (f)(2) of section 15 of this
6 act, the assignee shall use the amount asserted or determined under the
7 law of the other state.

8 (c) If an assignee determines that a creditor should receive the
9 treatment the creditor would receive under an assignment made under the
10 law of another state, the assignee may treat the creditor as the creditor
11 would be treated in the other state.

12 **Sec. 21.** (a) A court of competent jurisdiction in this state may
13 hear and resolve a matter involving the administration of an assignment
14 or the exercise of an assignee's powers and duties, including a request
15 for instructions or approval or to declare rights.

16 (b) Without limiting the rights of the assignee or a creditor or
17 other interested person to request the court to hear or resolve a matter
18 under subsection (a) of this section, on request of the assignee, the
19 court may issue an order relating to the administration of the assignment
20 or the exercise of the assignee's powers and duties, including an order
21 for disposition of an asset or the incurrence of an obligation.

22 (c) Acceptance of the assignment by the assignee constitutes the
23 assignee's consent to the jurisdiction of the court.

24 **Sec. 22.** (a) Subject to other law of this state governing a person
25 from another state serving as a fiduciary in this state, a court of
26 competent jurisdiction in this state may appoint a person serving as an
27 assignee in an assignment in another state, or the person's nominee, as
28 an ancillary assignee relating to assigned assets located in this state
29 or subject to the jurisdiction of a court in this state, if:

30 (1) the person or nominee would be eligible to serve as an assignee
31 under section 4 of this act; and

1 (2) the appointment furthers the person's possession, custody,
2 control, or disposition of an assigned asset under the assignment in the
3 other state.

4 (b) The court may issue an order that implements an order entered in
5 another state appointing or directing an assignee or otherwise concerning
6 an assignment in the other state.

7 (c) Unless the court orders otherwise, an ancillary assignee
8 appointed under subsection (a) of this section has the rights, powers,
9 and duties of an assignee appointed under the Uniform Assignment for
10 Benefit of Creditors Act.

11 (d) A person in possession, custody, or control of an assigned asset
12 in this state, other than a creditor holding a lien or a right of setoff
13 or recoupment relating to the asset, shall, on notification in a record
14 by an ancillary assignee appointed under subsection (a) of this section,
15 turn over the asset to the ancillary assignee.

16 **Sec. 23.** (a) Except as provided in this section and subsection (b)
17 of section 10 of this act, the provisions of the Uniform Assignment for
18 Benefit of Creditors Act may not be varied by agreement.

19 (b) The duties under subsection (a) of section 8 of this act and
20 subsection (a) of section 9 of this act may not be disclaimed by
21 agreement. An assignor and the assignee may determine by agreement the
22 standards measuring the fulfillment of the duties of the assignor under
23 section 8 of this act and the assignee under section 9 of this act if the
24 standards are not manifestly unreasonable.

25 (c) Except as provided in subsection (d) of section 17 of this act,
26 the assignment agreement may limit the assignee's liability under section
27 17 of this act and may require the assignee be indemnified by the
28 assignment estate.

29 (d) Except as provided under subsection (a) of section 7 of this
30 act, whenever the Uniform Assignment for Benefit of Creditors Act
31 requires an action to be taken within a reasonable time, a time not

1 manifestly unreasonable may be fixed by agreement.

2 (e) The assignment agreement may provide for duties of the assignee
3 in addition to those in the Uniform Assignment for Benefit of Creditors
4 Act.

5 **Sec. 24.** In applying and construing the Uniform Assignment for
6 Benefit of Creditors Act, a court shall consider the promotion of
7 uniformity of the law among states that enact it.

8 **Sec. 25.** The Uniform Assignment for Benefit of Creditors Act
9 modifies, limits, or supersedes the Electronic Signatures in Global and
10 National Commerce Act, 15 U.S.C. 7001 et seq., but does not modify,
11 limit, or supersede 15 U.S.C. 7001(c) or authorize electronic delivery of
12 any of the notices described in 15 U.S.C. 7003(b).

13 **Sec. 26.** The Uniform Assignment for Benefit of Creditors Act
14 applies to an assignment made on or after the effective date of this act.

15 **Sec. 27.** Section 76-902, Revised Statutes Supplement, 2025, is
16 amended to read:

17 76-902 The tax imposed by section 76-901 shall not apply to:

18 (1) Deeds recorded prior to November 18, 1965;

19 (2) Deeds to property transferred by or to the United States of
20 America, the State of Nebraska, or any of their agencies or political
21 subdivisions;

22 (3) Deeds which secure or release a debt or other obligation;

23 (4) Deeds which, without additional consideration, confirm, correct,
24 modify, or supplement a deed previously recorded but which do not extend
25 or limit existing title or interest;

26 (5)(a)(i) Deeds between spouses, between ex-spouses for the purpose
27 of conveying any rights to property acquired or held during the marriage,
28 or between parent and child, without actual consideration therefor, and

29 (ii) deeds to or from a family corporation, partnership, or limited
30 liability company when all the shares of stock of the corporation or
31 interest in the partnership or limited liability company are owned by

1 members of a family, or a trust created for the benefit of a member of
2 that family, related to one another within the fourth degree of kindred
3 according to the rules of civil law, and their spouses, for no
4 consideration other than the issuance of stock of the corporation or
5 interest in the partnership or limited liability company to such family
6 members or the return of the stock to the corporation in partial or
7 complete liquidation of the corporation or deeds in dissolution of the
8 interest in the partnership or limited liability company. In determining
9 members of a family under this subdivision, step relationships shall be
10 considered the same as blood relationships. In order to qualify for the
11 exemption for family corporations, partnerships, or limited liability
12 companies, the property shall be transferred in the name of the
13 corporation or partnership and not in the name of the individual
14 shareholders, partners, or members.

15 (b) For purposes of clarification, the exemptions set forth in
16 subdivision (5)(a) of this section shall apply to deeds transferring
17 property to a corporation that is wholly owned by a single shareholder,
18 or to a limited liability company that is wholly owned by a single
19 member, in any of the following situations:

20 (i) The grantor is the same person as the single owner of such
21 wholly owned corporation or limited liability company;

22 (ii) The grantors are spouses transferring property to a corporation
23 or limited liability company wholly owned by one of the spouses; or

24 (iii) The grantors are members of a family, as described in
25 subdivision (5)(a)(ii) of this section, transferring property to a
26 corporation or limited liability company wholly owned by one of the
27 members of such family;

28 (6) Tax deeds;

29 (7) Deeds of partition;

30 (8) Deeds made pursuant to mergers, consolidations, sales, or
31 transfers of the assets of corporations pursuant to plans of merger or

1 consolidation filed with the office of Secretary of State. A copy of such
2 plan filed with the Secretary of State shall be presented to the register
3 of deeds before such exemption is granted;

4 (9) Deeds made by a subsidiary corporation to its parent corporation
5 for no consideration other than the cancellation or surrender of the
6 subsidiary's stock;

7 (10) Cemetery deeds;

8 (11) Mineral deeds;

9 (12) Deeds executed pursuant to court decrees;

10 (13) Land contracts;

11 (14) Deeds which release a reversionary interest, a condition
12 subsequent or precedent, a restriction, or any other contingent interest;

13 (15) Deeds of distribution executed by a personal representative
14 conveying to devisees or heirs property passing by testate or intestate
15 succession;

16 (16) Transfer on death deeds or revocations of transfer on death
17 deeds;

18 (17) Certified or authenticated death certificates;

19 (18) Deeds transferring property located within the boundaries of an
20 Indian reservation if the grantor or grantee is a reservation Indian;

21 (19) Deeds transferring property into a trust if the transfer of the
22 same property would be exempt if the transfer was made directly from the
23 grantor to the beneficiary or beneficiaries under the trust. No such
24 exemption shall be granted unless the register of deeds is presented with
25 a signed statement certifying that the transfer of the property is made
26 under such circumstances as to come within one of the exemptions
27 specified in this section and that evidence supporting the exemption is
28 maintained by the person signing the statement and is available for
29 inspection by the Department of Revenue;

30 (20) Deeds transferring property from a trustee to a beneficiary of
31 a trust;

1 (21) Deeds which convey property held in the name of any partnership
2 or limited liability company not subject to subdivision (5) of this
3 section to any partner in the partnership or member of the limited
4 liability company or to his or her spouse;

5 (22) Leases;

6 (23) Easements;

7 (24) Deeds which transfer title from a trustee to a beneficiary
8 pursuant to a power of sale exercised by a trustee under a trust deed; or

9 (25) Deeds transferring property, without actual consideration
10 therefor, to a nonprofit organization that is exempt from federal income
11 tax under section 501(c)(3) of the Internal Revenue Code and is not a
12 private foundation as defined in section 509(a) of the Internal Revenue
13 Code; or -

14 (26) Assignments transferring property from an assignor to an
15 assignee pursuant to the Uniform Assignment for Benefit of Creditors Act.

16 **Sec. 28.** If any section in this act or any part of any section is
17 declared invalid or unconstitutional, the declaration shall not affect
18 the validity or constitutionality of the remaining portions.

19 **Sec. 29.** Original section 76-902, Revised Statutes Supplement,
20 2025, is repealed.