

## LEGISLATIVE BILL 54

Approved by the Governor February 6, 2001

Introduced by Landis, 46

AN ACT relating to liens; to amend sections 52-202, 52-502, 52-901, 52-904, 52-1201, and 52-1204, Reissue Revised Statutes of Nebraska, sections 52-203, 52-204, 52-501, 52-504, 52-701, 52-702, 52-902, 52-903, 52-905, 52-1101 to 52-1104, 52-1202, 52-1203, 52-1205, 52-1407, 52-1409, 54-201, 54-208, and 54-209, Revised Statutes Supplement, 2000, and sections 9-102, 9-519, and 9-530, Uniform Commercial Code; to change provisions relating to filing, recording, and enforcement; to eliminate a penalty; to harmonize provisions; to provide an operative date; to repeal the original sections; to outright repeal section 52-503, Reissue Revised Statutes of Nebraska; and to declare an emergency.

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

Section 1. Section 52-202, Reissue Revised Statutes of Nebraska, is amended to read:

52-202. Any person who makes, alters, repairs, or in any way enhances the value of any vehicle, automobile, machinery, or farm implement or tool or shoes a any horse or horses or mule, or mules, at the request of or with the consent of the owner or owners thereof, ~~shall have~~ has a lien upon such ~~vehicle, automobile, machinery, farm implement or tool, horse or horses, or mule or mules~~ property, in cases when he or she has parted with the possession ~~thereof of such property~~, for his or her reasonable or agreed charges for the work done performed or material furnished. ~~The person making such repairs, furnishing such material, or performing such work shall file in the office of the Secretary of State, A lien created under this section shall be perfected as provided in article 9, Uniform Commercial Code. Any financing statement filed to perfect such lien shall be filed within sixty days after performing such work or furnishing such material, a verified statement containing and shall contain or have attached thereto~~ (1) the name and address and the social security number or federal tax identification number of ~~such the person claiming the lien,~~ (2) the name and address and the social security number or federal tax identification number, if known, of the person for whom the work was ~~done performed or the material was~~ furnished, (3) a description of the work ~~done performed~~ or material furnished, (4) a description of the ~~article so made, repaired, altered, or enhanced in value or for which material was furnished or property~~ upon which such work was performed or material furnished, and (5) the amount due for such work ~~done performed~~ or material furnished. The failure to include the social security number or federal tax identification number shall not render any filing unperfected. At the time the lien is filed, the lienholder shall send a copy to the person for whom the work was ~~done performed~~ or material was furnished.

Sec. 2. Section 52-203, Revised Statutes Supplement, 2000, is amended to read:

52-203. ~~Such~~ A lien created under section 52-202 is shall be in force from and after the date it is filed ~~as aforesaid,~~ and ~~shall be~~ is prior and paramount to all other liens upon such property except those previously filed ~~against such property. Such lien in such office or in the office where such lien was required to be filed prior to July 17, 1999,~~ and shall be treated in all respects as a ~~secured transaction an agricultural lien~~ as provided in article 9, Uniform Commercial Code, and may be ~~foreclosed as a secured transaction as enforced in the manner and form provided for the enforcement of secured transactions as provided in article 9, Uniform Commercial Code,~~ except that ~~such foreclosure enforcement~~ proceedings shall be instituted within one year after the filing of such lien. ~~The and the lien shall be~~ is subject to the rights of purchasers of the property against which the lien is filed when the purchasers acquired the property prior to the filing of the lien without knowledge or notice of the rights of the persons performing the work or furnishing ~~the~~ material. The fee for filing, amending, or releasing such lien shall be the same as set forth in section 9-525, Uniform Commercial Code.

Sec. 3. Section 52-204, Revised Statutes Supplement, 2000, is amended to read:

52-204. (1) When a lien ~~provided by~~ created under section 52-202 is satisfied, the lienholder shall file in the office where the lien is filed a termination statement to the effect that he or she no longer claims an interest under the lien, which shall be identified by file number. A

termination statement signed by a person other than the lienholder of record shall be accompanied by a separate written statement of assignment signed by the lienholder of record complying with subsection (b) of section 9-514, Uniform Commercial Code, including payment of the required fee, or reflect that the person signing the termination statement is a successor of the lienholder of record. If the affected lienholder fails to file such a termination statement within thirty days after such lienholder no longer claims an interest, he or she shall be liable to the person for whom the work was ~~done~~ performed or ~~the material was~~ furnished for any losses caused to such person by such failure and for reasonable attorney's fees and court costs.

(2) On presentation to the filing officer of such a termination statement, he or she shall note it in the index. If the filing officer has received the termination statement in duplicate, he or she shall return one copy of the termination statement to the lienholder stamped to show the time of receipt.

(3) There is no fee for the filing of a termination statement.

(4) This section does not apply to a lien created under section 52-202 that is filed as an agricultural lien under article 9, Uniform Commercial Code, on or after July 1, 2001.

Sec. 4. Section 52-501, Revised Statutes Supplement, 2000, is amended to read:

52-501. (1)(a) The owner or operator of any threshing machine or combine used in threshing, combining, or hulling grain or seed, ~~(2) (b)~~ the owner or operator of any mechanical cornpicker or mechanical cornhusker used in picking or husking corn, and ~~(3) (c)~~ the owner or operator of any cornsheller used in shelling corn shall have and hold a lien upon such grain, seed, or corn which he or she shall thresh, combine, hull, pick, husk, or shell with such machine ~~or machines~~ to secure the payment to him or her of the charges agreed upon by the person for whom the owner of such grain, seed, or corn of such charges for such threshing, combining, hulling, picking, husking, or shelling was done as may be agreed upon or, if no charges are agreed upon, for such charges as may be reasonable for such threshing, combining, hulling, picking, husking, or shelling.

(2) A lien created under this section shall be perfected as provided in article 9, Uniform Commercial Code. Any financing statement filed to perfect such lien shall contain or have attached thereto such owner or operator of a threshing machine, combine, mechanical cornpicker, mechanical cornhusker, or cornsheller, so used in threshing, combining, hulling, picking, husking, or shelling grain, seed, or corn, shall file in the office of the Secretary of State a notice of such lien, which notice shall designate (a) the name and address and the social security number or federal tax identification number of such the owner or operator claiming the lien, (b) the name and address and the social security number or federal tax identification number, if known, of the person for whom the threshing, combining, hulling, picking, husking, or shelling was done, (c) the amount due for such services threshing, combining, hulling, picking, husking, or shelling, (d) the amount of grain, seed, or corn covered by the lien, (e) the place where the grain, seed, or corn is located, and (f) the date on which the threshing, combining, hulling, picking, husking, or shelling was done. Such notice financing statement shall be filed within thirty days after the threshing, combining, hulling, picking, husking, or shelling was done. The failure to include the social security number or federal tax identification number shall not render any filing unperfected. At the time the lien is filed, the lienholder shall send a copy to the person for whom the threshing, combining, hulling, picking, husking, or shelling was done.

(3) In the event the person for whom the threshing, combining, hulling, picking, husking, or shelling was done desires to sell or deliver the grain, seed, or corn so threshed, ~~picked, husked, hulled, shelled, or combined~~ combined, hulled, picked, husked, or shelled to a grain elevator or to any other person, such person desiring to sell or deliver the grain, seed, or corn shall notify the consignee or purchaser that the threshing, combining, hulling, picking, husking, or shelling bill has not been paid, and the lien ~~given in~~ created under this section on such grain, seed, or corn shall shift ~~therefrom~~ to the purchase price thereof in the hands of the purchaser or consignee. ~~above mentioned.~~ In the event the grain, seed, or corn is sold or consigned with the consent or knowledge of the person entitled to a lien ~~thereon, as provided in~~ created under this section, within thirty days after the date of such threshing, combining, hulling, picking, husking, or shelling, such lien shall not attach to the grain, seed, or corn or to the purchase price thereof unless the person entitled to the lien notifies the purchaser in writing of the lien.

(4) A The lien created under this section shall be treated in all

respects as an agricultural lien as provided in article 9, Uniform Commercial Code, and may be foreclosed enforced in the manner and form provided for the foreclosure enforcement of secured transactions as provided in article 9, Uniform Commercial Code, except that such foreclosure enforcement shall be instituted within thirty days after the filing of the lien. The fee for filing, amending, or releasing such lien shall be the same as set forth in section 9-525, Uniform Commercial Code.

Sec. 5. Section 52-502, Reissue Revised Statutes of Nebraska, is amended to read:

52-502. ~~The A lien provided for in~~ created under section 52-501 shall not attach to such grain, seed, or corn in the hands of an innocent purchaser or dealer in the usual course of trade unless all the notices provided for in ~~said~~ such section shall have been given. In the event the threshing, combining, hulling, picking, husking, or shelling was done on rented or leased land, the lien shall not apply to the landlord's or lessor's share of the grain, seed, or corn. The lien shall not be assignable.

Sec. 6. Section 52-504, Revised Statutes Supplement, 2000, is amended to read:

52-504. (1) When a lien ~~provided by~~ created under section 52-501 is satisfied, the lienholder shall file in the office where the lien is filed a termination statement to the effect that he or she no longer claims an interest under the lien, which shall be identified by file number. A termination statement signed by a person other than the lienholder of record shall be accompanied by a separate written statement of assignment signed by the lienholder of record complying with subsection (b) of section 9-514, Uniform Commercial Code, including payment of the required fee, or reflect that the person signing the termination statement is a successor of the lienholder of record. If the affected lienholder fails to file such a termination statement within thirty days after such lienholder no longer claims an interest, he or she shall be liable to the person for whom the threshing, combining, hulling, picking, husking, or shelling was done for any losses caused to such person by such failure and for reasonable attorney's fees and court costs.

(2) On presentation to the filing officer of such a termination statement, he or she shall note it in the index. If the filing officer has received the termination statement in duplicate, he or she shall return one copy of the termination statement to the lienholder stamped to show the time of receipt.

(3) There is no fee for the filing of a termination statement.

(4) This section does not apply to a lien created under section 52-501 that is filed as an agricultural lien under article 9, Uniform Commercial Code, on or after July 1, 2001.

Sec. 7. Section 52-701, Revised Statutes Supplement, 2000, is amended to read:

52-701. Whenever any person ~~shall procure, contract with, or hire~~ procures, contracts with, or hires any person licensed to practice veterinary medicine and surgery to treat, relieve, or in any way take care of any kind of livestock, such veterinarian shall have a first, paramount, and prior lien upon such livestock so treated for the contract price agreed upon or, in case no price has been agreed upon, for the reasonable value of the services and any medicines or biologics furnished. A lien created under this section shall be treated in all respects as an agricultural lien as provided in article 9, Uniform Commercial Code, and may be enforced ~~The person entitled to a lien under this section may foreclose the same in the manner and form provided by law for the foreclosing enforcement of secured transactions as provided in article 9, Uniform Commercial Code. Such veterinarian who wishes to use the provisions of this section shall file with the Secretary of State, A lien created under this section shall be perfected as provided in article 9, Uniform Commercial Code. Any financing statement filed to perfect such lien shall be filed within ninety days from after the furnishing of the services and any medicines or biologics, a statement verified by affidavit of his or her account containing and shall contain or have attached thereto~~ (1) the name and address and the social security number or federal tax identification number of ~~such~~ the veterinarian claiming the lien, (2) the name and address and the social security number or federal tax identification number, if known, of the person to whom the services and medicines or biologics were furnished, (3) a correct description of the livestock to be charged with the lien, and (4) the amount of the services and any medicines or biologics furnished. The failure to include the social security number or federal tax identification number shall not render any filing unperfected. At the time the lien is filed, the lienholder shall send a copy to the person to whom the services and medicines or biologics were furnished. The fee for filing, amending, or

releasing such lien shall be the same as set forth in section 9-525, Uniform Commercial Code.

Sec. 8. Section 52-702, Revised Statutes Supplement, 2000, is amended to read:

52-702. (1) When a lien ~~provided by~~ created under section 52-701 is satisfied, the lienholder shall file in the office where the lien is filed a termination statement to the effect that he or she no longer claims an interest under the lien, which shall be identified by file number. A termination statement signed by a person other than the lienholder of record shall be accompanied by a separate written statement of assignment signed by the lienholder of record complying with subsection (b) of section 9-514, Uniform Commercial Code, including payment of the required fee, or reflect that the person signing the termination statement is a successor of the lienholder of record. If the affected lienholder fails to file such a termination statement within thirty days after such lienholder no longer claims an interest, he or she shall be liable to the person to whom the services and medicines or biologics were furnished for any losses caused to such person by such failure and for reasonable attorney's fees and court costs.

(2) On presentation to the filing officer of such a termination statement, he or she shall note it in the index. If the filing officer has received the termination statement in duplicate, he or she shall return one copy of the termination statement to the lienholder stamped to show the time of receipt.

(3) There is no fee for the filing of a termination statement.

(4) This section does not apply to a lien created under section 52-701 that is filed as an agricultural lien under article 9, Uniform Commercial Code, on or after July 1, 2001.

Sec. 9. Section 52-901, Reissue Revised Statutes of Nebraska, is amended to read:

52-901. Any person who furnishes gasoline, diesel fuel, tractor fuel, oil, grease, or other petroleum products to another to be used in farm machinery for power or lubricating purposes in the production of any agricultural crop shall be entitled to a lien upon all such crops produced and owned by the person to whom such fuel or lubricant ~~had been~~ was furnished to secure the payment of the purchase price thereof, upon compliance with ~~the provisions of~~ sections 52-901 to 52-904.

Sec. 10. Section 52-902, Revised Statutes Supplement, 2000, is amended to read:

52-902. Within A lien created under section 52-901 shall be perfected as provided in article 9, Uniform Commercial Code. Any financing statement filed to perfect such lien shall be filed within six months after the fuel or lubricant, referred to in section 52-901, has been was furnished, the person selling such fuel or lubricant shall file with the Secretary of State a verified notice of such lien, which notice shall show and shall contain or have attached thereto (1) the name and address and the social security number or federal tax identification number of the person claiming the lien, (2) the name and address and the social security number or federal tax identification number, if known, of the person to whom such fuel or lubricant ~~has been~~ was furnished for use in farm machinery in the production of crops, (3) the amount of fuel or lubricant furnished, and (4) the amount due for furnishing such ~~products~~ fuel or lubricant. The failure to include the social security number or federal tax identification number shall not render any filing unperfected. At the time the lien is filed, the lienholder shall send a copy to the person to whom the fuel or lubricant was furnished. The fee for filing, amending, or releasing such lien shall be the same as set forth in section 9-525, Uniform Commercial Code.

Sec. 11. Section 52-903, Revised Statutes Supplement, 2000, is amended to read:

52-903. From and after the date of the filing of the ~~notice~~ lien as provided for in section 52-902, the ~~claimant~~ person claiming the lien shall have a lien upon the crops produced and owned by the person to whom the fuel or lubricant, ~~referred to in section 52-901, has been~~ was furnished to the amount of the purchase price of such fuel or lubricant ~~so sold~~ furnished to such person. In the event the person to whom such fuel or lubricant was furnished desires to sell or deliver any portion of the ~~crop~~ crops so produced, such person ~~so desiring to sell or deliver the same~~ shall notify the ~~consignee or purchaser or consignee~~ that such petroleum fuel or lubricant bill has not been paid. Such lien shall shift to the purchase price thereof in the hands of the such purchaser or consignee. above mentioned in this section. In the event any portion of such crops is sold or consigned with the consent or knowledge of the person entitled to a lien thereon within six months after

the date such fuel or lubricant was furnished, such lien shall not attach to any portion of such crops or to the purchase price thereof unless the person entitled to such lien notifies the purchaser in writing thereof. Such A lien created under section 52-901 shall be treated in all respects as an agricultural lien as provided in article 9, Uniform Commercial Code, and may be foreclosed enforced in the manner and form provided for the ~~foreclosure enforcement~~ of secured transactions as provided in article 9, Uniform Commercial Code, except that such ~~foreclosure enforcement~~ proceedings shall be instituted within ninety days after the filing of the lien.

Sec. 12. Section 52-904, Reissue Revised Statutes of Nebraska, is amended to read:

52-904. ~~Such A~~ Such A lien created under section 52-901 shall not attach to any portion of such crops, in the hands of an innocent purchaser or dealer in the usual course of trade, unless all the notices provided for shall have been given. In the event the fuel or lubricant was furnished to a person on rented or leased land, the lien shall not apply to the landlord's or lessor's share of the ~~crop~~ crops produced. The lien shall not be assignable.

Sec. 13. Section 52-905, Revised Statutes Supplement, 2000, is amended to read:

52-905. (1) When a lien ~~provided by~~ created under section 52-901 is satisfied, the lienholder shall file in the office where the lien is filed a termination statement to the effect that he or she no longer claims an interest under the lien, which shall be identified by file number. A termination statement signed by a person other than the lienholder of record shall be accompanied by a separate written statement of assignment signed by the lienholder of record complying with subsection (b) of section 9-514, Uniform Commercial Code, including payment of the required fee, or reflect that the person signing the termination statement is a successor of the lienholder of record. If the affected lienholder fails to file such a termination statement within thirty days after such lienholder no longer claims an interest, he or she shall be liable to the person to whom the fuel or lubricant was furnished for any losses caused to such person by such failure and for reasonable attorney's fees and court costs.

(2) On presentation to the filing officer of such termination statement, he or she shall note it in the index. If the filing officer has received the termination statement in duplicate, he or she shall return one copy of the termination statement to the lienholder stamped to show the time of receipt.

(3) There is no fee for the filing of a termination statement.

(4) This section does not apply to a lien created under section 52-901 that is filed as an agricultural lien under article 9, Uniform Commercial Code, on or after July 1, 2001.

Sec. 14. Section 52-1101, Revised Statutes Supplement, 2000, is amended to read:

52-1101. A person, including a firm or corporation, who ~~shall contract or agree~~ contracts or agrees with another (1) to furnish any fertilizer, soil conditioner, or agricultural chemical, (2) to furnish machinery and equipment for the application of such products, or (3) to perform work or labor in the application of such products shall have a lien for the agreed charges, or in the absence of an agreement, for the reasonable charges and costs of satisfying such lien, upon the crops produced within one year upon the land where such product was applied, the machinery or equipment for application was used, or the work or labor of application was performed, upon the proceeds from the sale of the crops, and upon livestock and the proceeds from the sale of such livestock when the crops have been fed to such livestock in a way that the identity of the crops has been lost.

Sec. 15. Section 52-1102, Revised Statutes Supplement, 2000, is amended to read:

52-1102. ~~Any~~ A lien created under section 52-1101 shall be perfected ~~by filing a notice of lien with the Secretary of State. The notice of lien shall state as provided in article 9, Uniform Commercial Code. Any financing statement filed to perfect such lien shall contain or have attached thereto~~ (1) the name and address and the social security number or federal tax identification number, if known, of the person to whom any product, machinery, or equipment was furnished or for whom work or labor was ~~done~~ performed, (2) the name and address and the social security number or federal tax identification number of the person claiming the lien, (3) the last date upon which such product, machinery, or equipment was furnished or work or labor ~~done~~ was performed under the contract, and (4) the amount due for the product, machinery, or equipment furnished or work or labor ~~done~~ performed. The failure to include the social security number or federal tax identification number shall not render any filing unperfected. At the time the lien is

filed, the lienholder shall send a copy to the person to whom the product, machinery, or equipment was furnished or for whom the work or labor was ~~done~~ performed. The fee for filing, amending, or releasing such lien shall be the same as set forth in section 9-525, Uniform Commercial Code.

Sec. 16. Section 52-1103, Revised Statutes Supplement, 2000, is amended to read:

52-1103. In order to be valid against subsequent lienholders, any lien created under section 52-1101 shall be filed within sixty days ~~of~~ after the last date upon which the product, machinery, or equipment was furnished, or work or labor was performed under the contract, but in no event shall it have priority over prior lienholders unless prior lienholders have agreed to the contract in writing. Such lien shall attach as of the date of filing. Such lien shall be treated in all respects as an agricultural lien as provided in article 9, Uniform Commercial Code, and may be foreclosed enforced in the manner and form provided for the foreclosure enforcement of secured transactions as provided in article 9, Uniform Commercial Code.

Sec. 17. Section 52-1104, Revised Statutes Supplement, 2000, is amended to read:

52-1104. (1) When a lien ~~provided by~~ created under section 52-1101 is satisfied, the lienholder shall file in the office where the lien is filed a termination statement to the effect that he or she no longer claims an interest under the lien, which shall be identified by file number. A termination statement signed by a person other than the lienholder of record shall be accompanied by a separate written statement of assignment signed by the lienholder of record complying with subsection (b) of section 9-514, Uniform Commercial Code, including payment of the required fee, or reflect that the person signing the termination statement is a successor of the lienholder of record. If the affected lienholder fails to file such a termination statement within thirty days after such lienholder no longer claims an interest, he or she shall be liable to the person to whom the product, machinery, or equipment was furnished or for whom the work or labor was ~~done~~ performed for any losses caused to such person by such failure and for reasonable attorney's fees and court costs.

(2) On presentation to the filing officer of such a termination statement, he or she shall note it in the index. If the filing officer has received the termination statement in duplicate, he or she shall return one copy of the termination statement to the lienholder stamped to show the time of receipt.

(3) There is no fee for the filing of a termination statement.

(4) This section does not apply to a lien created under section 52-1101 filed as an agricultural lien under article 9, Uniform Commercial Code, on or after July 1, 2001.

Sec. 18. Section 52-1201, Reissue Revised Statutes of Nebraska, is amended to read:

52-1201. Any person, including any public power district, ~~or~~ cooperative, firm, or corporation, who ~~shall contract or agree~~ contracts or agrees to furnish (1) seed to be sown or planted or (2) electrical power ~~and~~ or energy, or both, used in the production of crops shall have a lien upon all crops produced from the seed furnished or produced with the electrical power or energy furnished to secure the payment of the purchase price of the seed or the cost of the electrical power or energy used.

Sec. 19. Section 52-1202, Revised Statutes Supplement, 2000, is amended to read:

52-1202. ~~The lien provided in~~ (1) A lien created under section 52-1201 may shall be perfected by filing a notice of the lien with the Secretary of State as provided in article 9, Uniform Commercial Code. Such lien shall be perfected within sixty days of after the last date on which ~~(1)~~ (a) the seed was furnished or ~~(2)~~ (b) the meter was read with respect to the electrical power or energy furnished.

(2) Any financing statement filed to perfect a lien created under section 52-1201 shall contain or have attached thereto ~~The notice of lien shall state~~ (a) the name and address and the social security number or federal tax identification number of the person claiming the lien, (b) the name and address and the social security number or federal tax identification number, if known, of the person to whom the seed or electrical power or energy ~~has been~~ was furnished, (c) the contract price or reasonable value of the seed or electrical power or energy, and (d)(i) the type and amount of the seed and the date of delivery of the seed or (ii) the type and amount of the electrical power or energy and the period during which such power or energy was furnished. The failure to include the social security number or federal tax identification number shall not render any filing unperfected. At the time the lien is filed, the lienholder shall send a copy to the person to whom the

seed or electrical power ~~and~~ or energy was furnished. The fee for filing, amending, or releasing the lien shall be as provided in section 9-525, Uniform Commercial Code.

Sec. 20. Section 52-1203, Revised Statutes Supplement, 2000, is amended to read:

52-1203. ~~The A~~ A ~~lien provided in~~ created under section 52-1201 shall attach on the date of filing and time thereof if shown. Such lien shall be treated in all respects as an agricultural lien as provided in article 9, Uniform Commercial Code, and may be foreclosed enforced in the manner and form provided for the foreclosure enforcement of secured transactions as provided in article 9, Uniform Commercial Code.

Sec. 21. Section 52-1204, Reissue Revised Statutes of Nebraska, is amended to read:

52-1204. ~~The A~~ A ~~lien provided in~~ created under section 52-1201 shall have its priority established by the date and time of filing and shall not be prior to a properly attached and perfected lien or security interest created under the Uniform Commercial Code unless such priority shall be agreed upon in writing by the prior attached and perfected lienholder or secured party.

Sec. 22. Section 52-1205, Revised Statutes Supplement, 2000, is amended to read:

52-1205. (1) When a lien ~~as provided in~~ created under section 52-1201 is satisfied, the lienholder shall file in the office where the lien is filed a termination statement to the effect that he or she no longer claims an interest under the lien, which shall be identified by file number. A termination statement signed by a person other than the lienholder of record shall be accompanied by a separate written statement of assignment signed by the lienholder of record complying with subsection (b) of section 9-514, Uniform Commercial Code, including payment of the required fee, or reflect that the person signing the termination statement is a successor of the lienholder of record. If the affected lienholder fails to file such a termination statement within thirty days after such lienholder no longer claims an interest, he or she shall be liable to the person to whom the seed or electrical power ~~and~~ or energy was furnished for any losses caused to such person by such failure and for reasonable attorney's fees and court costs.

(2) On presentation to the filing officer of such a termination statement, he or she shall note it in the index. If the filing officer has received the termination statement in duplicate, he or she shall return one copy of the termination statement to the lienholder stamped to show the time of receipt.

(3) There is no fee for the filing of a termination statement.

(4) This section does not apply to a lien created under section 52-1201 filed as an agricultural lien under article 9, Uniform Commercial Code, on or after July 1, 2001.

Sec. 23. Section 52-1407, Revised Statutes Supplement, 2000, is amended to read:

52-1407. (1) ~~To perfect an An~~ An agricultural production input lien ~~the lien shall attach and the supplier entitled to the lien shall file a lien-notification statement containing shall be perfected as provided in article 9, Uniform Commercial Code. Any financing statement filed to perfect such lien shall contain or have attached thereto the information required in subsection (2) of section 52-1402 with the appropriate filing office for the filing of security interests in farm products and shall be filed within three months after the last date that the agricultural production input was furnished. The failure to include the social security number or federal tax identification number shall not render any filing unperfected. Perfection occurs as of the date such lien-notification financing statement is filed.~~

(2) An agricultural production input lien that is not perfected has the priority of an unperfected security interest under section 9-322, Uniform Commercial Code.

~~(3) The filing officer shall enter the time of day and date of filing on the lien-notification statement and shall otherwise file it in the manner provided by article 9, Uniform Commercial Code, for a financing statement.~~

(4) The holder of an An agricultural production input lien ~~may enforce the lien shall be treated in all respects as an agricultural lien as provided in article 9, Uniform Commercial Code, and may be enforced in the manner and form provided for the enforcement of secured transactions as provided in article 9, Uniform Commercial Code. For purposes of enforcement of the lien, the lienholder is the secured party and the person ~~for~~ to whom the agricultural production input was furnished is the debtor, and each has the respective rights and duties of a secured party and a debtor under article 9, Uniform Commercial Code.~~

(4) The fee for filing, amending, or releasing such lien shall be the same as set forth in section 9-525, Uniform Commercial Code.

Sec. 24. Section 52-1409, Revised Statutes Supplement, 2000, is amended to read:

52-1409. (1) When an agricultural production input lien is satisfied, the lienholder shall file in the office where the lien is filed a termination statement to the effect that he or she no longer claims an interest under the lien, which shall be identified by file number. A termination statement signed by a person other than the lienholder of record shall be accompanied by a separate written statement of assignment signed by the lienholder of record complying with subsection (b) of section 9-514, Uniform Commercial Code, including payment of the required fee, or reflect that the person signing the termination statement is a successor of the lienholder of record. If the affected lienholder fails to file such a termination statement within thirty days after such lienholder no longer claims an interest, he or she shall be liable to the person to whom the agricultural production input was furnished for any losses caused to such person by such failure and for reasonable attorney's fees and court costs.

(2) On presentation to the filing officer of such a termination statement, he or she shall note it in the index. If the filing officer has received the termination statement in duplicate, he or she shall return one copy of the termination statement to the lienholder stamped to show the time of receipt.

(3) There is no fee for the filing of a termination statement.

(4) This section does not apply to an agricultural production input lien filed as an agricultural lien under article 9, Uniform Commercial Code, on or after July 1, 2001.

Sec. 25. Section 54-201, Revised Statutes Supplement, 2000, is amended to read:

54-201. (1) When any person, firm, corporation, partnership, or limited liability company not provided for in subsection (2) of this section ~~shall procure, contract with, or hire~~ procures, contracts with, or hires any other person, firm, corporation, partnership, or limited liability company to feed and take care of any kind of livestock, the person, firm, corporation, partnership, or limited liability company so procured, contracted with, or hired shall have a first, paramount, and prior lien upon such livestock for the feed and care ~~furnished bestowed by him or her upon the same~~ for the reasonable price agreed upon or, in case no price has been agreed upon, for the reasonable value of such feed and care, as long as the holders of any prior liens shall have agreed in writing to the contract for the feed and care of the livestock involved. ~~The person, firm, corporation, partnership, or limited liability company entitled to a A lien created under this section subsection shall be treated in all respects as an agricultural lien as provided in article 9, Uniform Commercial Code, and may foreclose the same be enforced in the manner and form provided by law for foreclosure the enforcement of secured transactions as provided in article 9, Uniform Commercial Code. Prior A lien created under this subsection shall be perfected as provided in article 9, Uniform Commercial Code. Any financing statement filed to perfect such lien shall be filed prior to removal of such livestock from the his or her premises, of the person, firm, corporation, partnership, or limited liability company entitled to a lien and shall file in the office of the Secretary of State an affidavit containing contain or have attached thereto (a) the name and address and the social security number or federal tax identification number of such the person, firm, corporation, partnership, or limited liability company claiming the lien, (b) and the name and address and the social security number or federal tax identification number, if known, of the person, firm, corporation, partnership, or limited liability company for whom the feeding and keeping care were furnished, (c) a description of and describing the livestock fed and furnished care, and (d) and setting forth the amount justly due for the feeding and keeping care. of the same.~~ The failure to include the social security number or federal tax identification number shall not render any filing unperfected. At the time the lien is filed, the lienholder shall send a copy to the person, firm, corporation, partnership, or limited liability company for whom the feeding and keeping care were furnished. The fee for filing, amending, or releasing such lien shall be the same as set forth in section 9-525, Uniform Commercial Code.

(2) When any person, firm, corporation, partnership, or limited liability company whose residence or principal place of business is located outside the State of Nebraska ~~shall procure, contract with, or hire~~ procures, contracts with, or hires any other person, firm, corporation, partnership, or limited liability company within the State of Nebraska to feed and take care



of any kind of livestock, the person, firm, corporation, partnership, or limited liability company so procured, contracted with, or hired shall have a first, paramount, and prior lien upon such livestock for the feed and care furnished bestowed by him or her upon the same for the contract price agreed upon or, in case no price has been agreed upon, for the reasonable value of such feed and care. The person, firm, corporation, partnership, or limited liability company entitled to a A lien created under this subsection shall be treated in all respects as an agricultural lien as provided in article 9, Uniform Commercial Code, and may foreclose the same be enforced in the manner and form provided by law for the foreclosure enforcement of secured transactions as provided in article 9, Uniform Commercial Code. Prior A lien created under this subsection shall be perfected as provided in article 9, Uniform Commercial Code. Any financing statement filed to perfect such lien shall be filed prior to removal of such livestock from his or her the premises, of the person, firm, corporation, partnership, or limited liability company entitled to a lien and shall file in the office of the Secretary of State an affidavit containing contain or have attached thereto (a) the name and address and the social security number or federal tax identification number of such the person, firm, corporation, partnership, or limited liability company claiming the lien, (b) and the name and address and the social security number or federal tax identification number, if known, of the person, firm, corporation, partnership, or limited liability company for whom the feeding and keeping care were furnished, (c) a description of and describing the livestock fed and furnished care, and (d) and setting forth the amount justly due for the feeding and keeping care. of the same. The failure to include the social security number or federal tax identification number shall not render any filing unperfected. At the time the lien is filed, the lienholder shall send a copy to the person, firm, corporation, partnership, or limited liability company for whom the feeding and keeping care were furnished. The fee for filing, amending, or releasing such lien shall be the same as set forth in section 9-525, Uniform Commercial Code.

Sec. 26. Section 54-208, Revised Statutes Supplement, 2000, is amended to read:

54-208. When any person, firm, partnership, limited liability company, or corporation contracts or agrees with another person, firm, partnership, limited liability company, or corporation to deliver any feed or feed ingredients for any kind of livestock, the person, firm, partnership, limited liability company, or corporation so procured, contracted with, or agreed with, or hired shall have a lien upon such livestock for the feed or feed ingredients and related costs incurred in the delivery of such feed or feed ingredients for the agreed-upon contract price or, in case no price has been agreed upon, for the reasonable value of such feed or feed ingredients and related delivery costs, which shall be a first, paramount, and prior lien if the holders of any prior liens have agreed in writing to the contract for the feed or feed ingredients and related delivery costs. The lien may only be foreclosed enforced against the person, firm, partnership, limited liability company, or corporation who has contracted or agreed for such feed or feed ingredients and related costs incurred in the delivery of such feed or feed ingredients.

Such person, firm, partnership, limited liability company, or corporation delivering feed or feed ingredients or incurring delivery costs shall file a notice in the office of the Secretary of State. Such notice of lien shall designate A lien created under this section shall be perfected as provided in article 9, Uniform Commercial Code. Any financing statement filed to perfect such lien shall contain or have attached thereto:

(1) The name and address and the social security number or federal tax identification number of such the person, firm, partnership, limited liability company, or corporation claiming the lien;

(2) The name and address and the social security number or federal tax identification number, if known, of the person, firm, partnership, limited liability company, or corporation for whom such feed or feed ingredients were delivered;

(3) The amount due for such feed or feed ingredients and related delivery costs covered by the lien;

(4) The place where such livestock are located;

(5) A reasonable description of such livestock including the number and type of such livestock; and

(6) The last date on which such feed or feed ingredients were delivered.

The failure to include the social security number or federal tax identification number shall not render any filing unperfected. At the time the lien is filed, the lienholder shall send a copy to the person, firm,

partnership, limited liability company, or corporation for whom the feed or feed ingredients were delivered.

Such lien shall attach and have priority as of the date of the filing if filed in the manner provided in this section. Such lien shall be treated in all respects as an agricultural lien as provided in article 9, Uniform Commercial Code, and may be foreclosed enforced in the manner and form provided for the foreclosure enforcement of secured transactions as provided in article 9, Uniform Commercial Code.

The fee for filing, amending, or releasing such lien shall be the same as set forth in section 9-525, Uniform Commercial Code.

Nothing in this section shall be construed to amend or repeal section 54-201 relating to agisters' liens.

Sec. 27. Section 54-209, Revised Statutes Supplement, 2000, is amended to read:

54-209. (1) When a lien ~~provided by~~ created under section 54-201 or 54-208 is satisfied, the lienholder shall file in the office where the lien is filed a termination statement to the effect that he or she no longer claims an interest under the lien, which shall be identified by file number. A termination statement signed by a person other than the lienholder of record shall be accompanied by a separate written statement of assignment signed by the lienholder of record complying with subsection (b) of section 9-514, Uniform Commercial Code, including payment of the required fee, or reflect that the person signing the termination statement is a successor of the lienholder of record. If the affected lienholder fails to file such a termination statement within thirty days after such lienholder no longer claims an interest, he or she shall be liable to the person, firm, partnership, limited liability company, or corporation for whom the feeding and ~~keeping~~ care were furnished or the feed or feed ingredients were delivered for any losses caused to such person, firm, partnership, limited liability company, or corporation by such failure and for reasonable attorney's fees and court costs.

(2) On presentation to the filing officer of such a termination statement, he or she shall note it in the index. If the filing officer has received the termination statement in duplicate, he or she shall return one copy of the termination statement to the lienholder stamped to show the time of receipt.

(3) There is no fee for the filing of a termination statement.

(4) This section does not apply to a lien created under section 54-201 or 54-208 filed as an agricultural lien under article 9, Uniform Commercial Code, on or after July 1, 2001.

Sec. 28. Section 9-102, Uniform Commercial Code, is amended to read:

9-102. Definitions and index of definitions.

(a) In this article:

(1) "Accession" means goods that are physically united with other goods in such a manner that the identity of the original goods is not lost.

(2) "Account", except as used in "account for", means a right to payment of a monetary obligation, whether or not earned by performance, (i) for property that has been or is to be sold, leased, licensed, assigned, or otherwise disposed of, (ii) for services rendered or to be rendered, (iii) for a policy of insurance issued or to be issued, (iv) for a secondary obligation incurred or to be incurred, (v) for energy provided or to be provided, (vi) for the use or hire of a vessel under a charter or other contract, (vii) arising out of the use of a credit or charge card or information contained on or for use with the card, or (viii) as winnings in a lottery or other game of chance operated or sponsored by a state, governmental unit of a state, or person licensed or authorized to operate the game by a state or governmental unit of a state. The term includes health-care-insurance receivables. The term does not include (i) rights to payment evidenced by chattel paper or an instrument, (ii) commercial tort claims, (iii) deposit accounts, (iv) investment property, (v) letter-of-credit rights or letters of credit, or (vi) rights to payment for money or funds advanced or sold, other than rights arising out of the use of a credit or charge card or information contained on or for use with the card.

(3) "Account debtor" means a person obligated on an account, chattel paper, or general intangible. The term does not include persons obligated to pay a negotiable instrument, even if the instrument constitutes part of chattel paper.

(4) "Accounting", except as used in "accounting for", means a record:

(A) authenticated by a secured party;

(B) indicating the aggregate unpaid secured obligations as of a date

not more than 35 days earlier or 35 days later than the date of the record; and

(C) identifying the components of the obligations in reasonable detail.

(5) "Agricultural lien" means an interest, other than a security interest, in farm products:

(A) which secures payment or performance of an obligation for:

(i) goods or services furnished in connection with a debtor's farming operation; or

(ii) rent on real property leased by a debtor in connection with its farming operation;

(B) which is created by statute in favor of a person that:

(i) in the ordinary course of its business furnished goods or services to a debtor in connection with a debtor's farming operation; or

(ii) leased real property to a debtor in connection with the debtor's farming operation; and

(C) whose effectiveness does not depend on the person's possession of the personal property.

The term also includes every lien created under sections 52-202, 52-501, 52-701, 52-901, 52-1101, 52-1201, 54-201, and 54-208, Reissue Revised Statutes of Nebraska, and Chapter 52, article 14, Reissue Revised Statutes of Nebraska.

(6) "As-extracted collateral" means:

(A) oil, gas, or other minerals that are subject to a security interest that:

(i) is created by a debtor having an interest in the minerals before extraction; and

(ii) attaches to the minerals as extracted; or

(B) accounts arising out of the sale at the wellhead or minehead of oil, gas, or other minerals in which the debtor had an interest before extraction.

(7) "Authenticate" means:

(A) to sign; or

(B) to execute or otherwise adopt a symbol, or encrypt or similarly process a record in whole or in part, with the present intent of the authenticating person to identify the person and adopt or accept a record.

(8) "Bank" means an organization that is engaged in the business of banking. The term includes savings banks, savings and loan associations, credit unions, and trust companies.

(9) "Cash proceeds" means proceeds that are money, checks, deposit accounts, or the like.

(10) "Certificate of title" means a certificate of title with respect to which a statute provides for the security interest in question to be indicated on the certificate as a condition or result of the security interest's obtaining priority over the rights of a lien creditor with respect to the collateral.

(11) "Chattel paper" means a record or records that evidence both a monetary obligation and a security interest in specific goods, a security interest in specific goods and software used in the goods, a security interest in specific goods and license of software used in the goods, a lease of specific goods, or a lease of specific goods and license of software used in the goods. In this subdivision, "monetary obligation" means a monetary obligation secured by the goods or owed under a lease of the goods and includes a monetary obligation with respect to software used in the goods. The term does not include (i) charters or other contracts involving the use or hire of a vessel or (ii) records that evidence a right to payment arising out of the use of a credit or charge card or information contained on or for use with the card. If a transaction is evidenced by records that include an instrument or series of instruments, the group of records taken together constitutes chattel paper.

(12) "Collateral" means the property subject to a security interest or agricultural lien. The term includes:

(A) proceeds to which a security interest attaches;

(B) accounts, chattel paper, payment intangibles, and promissory notes that have been sold; and

(C) goods that are the subject of a consignment.

(13) "Commercial tort claim" means a claim arising in tort with respect to which:

(A) the claimant is an organization; or

(B) the claimant is an individual and the claim:

(i) arose in the course of the claimant's business or profession;

and

(ii) does not include damages arising out of personal injury to or the death of an individual.

(14) "Commodity account" means an account maintained by a commodity intermediary in which a commodity contract is carried for a commodity customer.

(15) "Commodity contract" means a commodity futures contract, an option on a commodity futures contract, a commodity option, or another contract if the contract or option is:

(A) traded on or subject to the rules of a board of trade that has been designated as a contract market for such a contract pursuant to federal commodities laws; or

(B) traded on a foreign commodity board of trade, exchange, or market, and is carried on the books of a commodity intermediary for a commodity customer.

(16) "Commodity customer" means a person for which a commodity intermediary carries a commodity contract on its books.

(17) "Commodity intermediary" means a person that:

(A) is registered as a futures commission merchant under federal commodities law; or

(B) in the ordinary course of its business provides clearance or settlement services for a board of trade that has been designated as a contract market pursuant to federal commodities law.

(18) "Communicate" means:

(A) to send a written or other tangible record;

(B) to transmit a record by any means agreed upon by the persons sending and receiving the record; or

(C) in the case of transmission of a record to or by a filing office, to transmit a record by any means prescribed by filing-office rule.

(19) "Consignee" means a merchant to which goods are delivered in a consignment.

(20) "Consignment" means a transaction, regardless of its form, in which a person delivers goods to a merchant for the purpose of sale and:

(A) the merchant:

(i) deals in goods of that kind under a name other than the name of the person making delivery;

(ii) is not an auctioneer; and

(iii) is not generally known by its creditors to be substantially engaged in selling the goods of others;

(B) with respect to each delivery, the aggregate value of the goods is \$1,000 or more at the time of delivery;

(C) the goods are not consumer goods immediately before delivery; and

(D) the transaction does not create a security interest that secures an obligation.

(21) "Consignor" means a person that delivers goods to a consignee in a consignment.

(22) "Consumer debtor" means a debtor in a consumer transaction.

(23) "Consumer goods" means goods that are used or bought for use primarily for personal, family, or household purposes.

(24) "Consumer-goods transaction" means a consumer transaction in which:

(A) an individual incurs an obligation primarily for personal, family, or household purposes; and

(B) a security interest in consumer goods secures the obligation.

(25) "Consumer obligor" means an obligor who is an individual and who incurred the obligation as part of a transaction entered into primarily for personal, family, or household purposes.

(26) "Consumer transaction" means a transaction in which (i) an individual incurs an obligation primarily for personal, family, or household purposes, (ii) a security interest secures the obligation, and (iii) the collateral is held or acquired primarily for personal, family, or household purposes. The term includes consumer-goods transactions.

(27) "Continuation statement" means an amendment of a financing statement which:

(A) identifies, by its file number, the initial financing statement to which it relates; and

(B) indicates that it is a continuation statement for, or that it is filed to continue the effectiveness of, the identified financing statement.

(28) "Debtor" means:

(A) a person having an interest, other than a security interest or other lien, in the collateral, whether or not the person is an obligor;

(B) a seller of accounts, chattel paper, payment intangibles, or

promissory notes; or

(C) a consignee.

(29) "Deposit account" means a demand, time, savings, passbook, or similar account maintained with a bank. The term does not include investment property or accounts evidenced by an instrument.

(30) "Document" means a document of title or a receipt of the type described in section 7-201(2).

(31) "Electronic chattel paper" means chattel paper evidenced by a record or records consisting of information stored in an electronic medium.

(32) "Encumbrance" means a right, other than an ownership interest, in real property. The term includes mortgages and other liens on real property.

(33) "Equipment" means goods other than inventory, farm products, or consumer goods.

(34) "Farm products" means goods, other than standing timber, with respect to which the debtor is engaged in a farming operation and which are:

(A) crops grown, growing, or to be grown, including:

(i) crops produced on trees, vines, and bushes; and

(ii) aquatic goods produced in aquacultural operations;

(B) livestock, born or unborn, including aquatic goods produced in aquacultural operations;

(C) supplies used or produced in a farming operation; or

(D) products of crops or livestock in their unmanufactured states.

(35) "Farming operation" means raising, cultivating, propagating, fattening, grazing, or any other farming, livestock, or aquacultural operation.

(36) "File number" means the number assigned to an initial financing statement pursuant to section 9-519(a).

(37) "Filing office" means an office designated in section 9-501 as the place to file a financing statement.

(38) "Filing-office rule" means a rule adopted pursuant to section 9-526.

(39) "Financing statement" means a record or records composed of an initial financing statement and any filed record relating to the initial financing statement.

(40) "Fixture filing" means the filing of a financing statement covering goods that are or are to become fixtures and satisfying section 9-502(a) and (b). The term includes the filing of a financing statement covering goods of a transmitting utility which are or are to become fixtures.

(41) "Fixtures" means goods that have become so related to particular real property that an interest in them arises under real property law.

(42) "General intangible" means any personal property, including things in action, other than accounts, chattel paper, commercial tort claims, deposit accounts, documents, goods, instruments, investment property, letter-of-credit rights, letters of credit, money, and oil, gas, or other minerals before extraction. The term includes payment intangibles and software.

(43) "Good faith" means honesty in fact and the observance of reasonable commercial standards of fair dealing.

(44) "Goods" means all things that are movable when a security interest attaches. The term includes (i) fixtures, (ii) standing timber that is to be cut and removed under a conveyance or contract for sale, (iii) the unborn young of animals, (iv) crops grown, growing, or to be grown, even if the crops are produced on trees, vines, or bushes, and (v) manufactured homes. The term also includes a computer program embedded in goods and any supporting information provided in connection with a transaction relating to the program if (i) the program is associated with the goods in such a manner that it customarily is considered part of the goods, or (ii) by becoming the owner of the goods, a person acquires a right to use the program in connection with the goods. The term does not include a computer program embedded in goods that consist solely of the medium in which the program is embedded. The term also does not include accounts, chattel paper, commercial tort claims, deposit accounts, documents, general intangibles, instruments, investment property, letter-of-credit rights, letters of credit, money, or oil, gas, or other minerals before extraction.

(45) "Governmental unit" means a subdivision, agency, department, county, parish, municipality, or other unit of the government of the United States, a state, or a foreign country. The term includes an organization having a separate corporate existence if the organization is eligible to issue debt on which interest is exempt from income taxation under the laws of the United States.

(46) "Health-care-insurance receivable" means an interest in or claim under a policy of insurance which is a right to payment of a monetary obligation for health-care goods or services provided.

(47) "Instrument" means a negotiable instrument or any other writing that evidences a right to the payment of a monetary obligation, is not itself a security agreement or lease, and is of a type that in ordinary course of business is transferred by delivery with any necessary indorsement or assignment including, but not limited to, a writing that would otherwise qualify as a certificate of deposit (defined in section 3-104(j)) but for the fact that the writing contains a limitation on transfer. The term does not include (i) investment property, (ii) letters of credit, or (iii) writings that evidence a right to payment arising out of the use of a credit or charge card or information contained on or for use with the card.

(48) "Inventory" means goods, other than farm products, which:

- (A) are leased by a person as lessor;
- (B) are held by a person for sale or lease or to be furnished under a contract of service;
- (C) are furnished by a person under a contract of service; or
- (D) consist of raw materials, work in process, or materials used or consumed in a business.

(49) "Investment property" means a security, whether certificated or uncertificated, security entitlement, securities account, commodity contract, or commodity account.

(50) "Jurisdiction of organization", with respect to a registered organization, means the jurisdiction under whose law the organization is organized.

(51) "Letter-of-credit right" means a right to payment or performance under a letter of credit, whether or not the beneficiary has demanded or is at the time entitled to demand payment or performance. The term does not include the right of a beneficiary to demand payment or performance under a letter of credit.

(52) "Lien creditor" means:

- (A) a creditor that has acquired a lien on the property involved by attachment, levy, or the like;
- (B) an assignee for benefit of creditors from the time of assignment;
- (C) a trustee in bankruptcy from the date of the filing of the petition; or
- (D) a receiver in equity from the time of appointment.

(53) "Manufactured home" means a structure, transportable in one or more sections, which, in the traveling mode, is eight body feet or more in width or 40 body feet or more in length, or, when erected on site, is 320 or more square feet, and which is built on a permanent chassis and designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities, and includes the plumbing, heating, air-conditioning, and electrical systems contained therein. The term includes any structure that meets all of the requirements of this subdivision except the size requirements and with respect to which the manufacturer voluntarily files a certification required by the United States Secretary of Housing and Urban Development and complies with the standards established under Title 42 of the United States Code.

(54) "Manufactured-home transaction" means a secured transaction:

- (A) that creates a purchase-money security interest in a manufactured home, other than a manufactured home held as inventory; or
- (B) in which a manufactured home, other than a manufactured home held as inventory, is the primary collateral.

(55) "Mortgage" means a consensual interest in real property, including fixtures, which secures payment or performance of an obligation.

(56) "New debtor" means a person that becomes bound as debtor under section 9-203(d) by a security agreement previously entered into by another person.

(57) "New value" means (i) money, (ii) money's worth in property, services, or new credit, or (iii) release by a transferee of an interest in property previously transferred to the transferee. The term does not include an obligation substituted for another obligation.

(58) "Noncash proceeds" means proceeds other than cash proceeds.

(59) "Obligor" means a person that, with respect to an obligation secured by a security interest in or an agricultural lien on the collateral, (i) owes payment or other performance of the obligation, (ii) has provided property other than the collateral to secure payment or other performance of the obligation, or (iii) is otherwise accountable in whole or in part for payment or other performance of the obligation. The term does not include

issuers or nominated persons under a letter of credit.

(60) "Original debtor", except as used in section 9-310(c), means a person that, as debtor, entered into a security agreement to which a new debtor has become bound under section 9-203(d).

(61) "Payment intangible" means a general intangible under which the account debtor's principal obligation is a monetary obligation.

(62) "Person related to", with respect to an individual, means:

(A) the spouse of the individual;

(B) a brother, brother-in-law, sister, or sister-in-law of the individual;

(C) an ancestor or lineal descendant of the individual or the individual's spouse; or

(D) any other relative, by blood or marriage, of the individual or the individual's spouse who shares the same home with the individual.

(63) "Person related to", with respect to an organization, means:

(A) a person directly or indirectly controlling, controlled by, or under common control with the organization;

(B) an officer or director of, or a person performing similar functions with respect to, the organization;

(C) an officer or director of, or a person performing similar functions with respect to, a person described in subdivision (A);

(D) the spouse of an individual described in subdivision (A), (B), or (C); or

(E) an individual who is related by blood or marriage to an individual described in subdivision (A), (B), (C), or (D) and shares the same home with the individual.

(64) "Proceeds", except as used in section 9-609(b), means the following property:

(A) whatever is acquired upon the sale, lease, license, exchange, or other disposition of collateral;

(B) whatever is collected on, or distributed on account of, collateral;

(C) rights arising out of collateral;

(D) to the extent of the value of collateral, claims arising out of the loss, nonconformity, or interference with the use of, defects or infringement of rights in, or damage to, the collateral; or

(E) to the extent of the value of collateral and to the extent payable to the debtor or the secured party, insurance payable by reason of the loss or nonconformity of, defects or infringement of rights in, or damage to, the collateral.

(65) "Promissory note" means an instrument that evidences a promise to pay a monetary obligation, does not evidence an order to pay, and does not contain an acknowledgment by a bank that the bank has received for deposit a sum of money or funds.

(66) "Proposal" means a record authenticated by a secured party which includes the terms on which the secured party is willing to accept collateral in full or partial satisfaction of the obligation it secures pursuant to sections 9-620, 9-621, and 9-622.

(67) "Public-finance transaction" means a secured transaction in connection with which:

(A) debt securities are issued;

(B) all or a portion of the securities issued have an initial stated maturity of at least 20 years; and

(C) the debtor, obligor, secured party, account debtor or other person obligated on collateral, assignor or assignee of a secured obligation, or assignor or assignee of a security interest is a state or a governmental unit of a state.

(68) "Pursuant to commitment", with respect to an advance made or other value given by a secured party, means pursuant to the secured party's obligation, whether or not a subsequent event of default or other event not within the secured party's control has relieved or may relieve the secured party from its obligation.

(69) "Record", except as used in "for record", "of record", "record or legal title", and "record owner", means information that is inscribed on a tangible medium or which is stored in an electronic or other medium and is retrievable in perceivable form.

(70) "Registered organization" means an organization organized solely under the law of a single state or the United States and as to which the state or the United States must maintain a public record showing the organization to have been organized.

(71) "Secondary obligor" means an obligor to the extent that:

(A) the obligor's obligation is secondary; or

(B) the obligor has a right of recourse with respect to an obligation secured by collateral against the debtor, another obligor, or property of either.

(72) "Secured party" means:

(A) a person in whose favor a security interest is created or provided for under a security agreement, whether or not any obligation to be secured is outstanding;

(B) a person that holds an agricultural lien;

(C) a consignor;

(D) a person to which accounts, chattel paper, payment intangibles, or promissory notes have been sold;

(E) a trustee, indenture trustee, agent, collateral agent, or other representative in whose favor a security interest or agricultural lien is created or provided for; or

(F) a person that holds a security interest arising under section 2-401, 2-505, 2-711(3), 2A-508(5), 4-210, or 5-118.

(73) "Security agreement" means an agreement that creates or provides for a security interest.

(74) "Send", in connection with a record or notification, means:

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

(B) to cause the record or notification to be received within the time that it would have been received if properly sent under subdivision (A).

(75) "Software" means a computer program and any supporting information provided in connection with a transaction relating to the program. The term does not include a computer program that is included in the definition of goods.

(76) "State" means a state of the United States, the District of Columbia, Puerto Rico, the United States Virgin Islands, or any territory or insular possession subject to the jurisdiction of the United States.

(77) "Supporting obligation" means a letter-of-credit right or secondary obligation that supports the payment or performance of an account, chattel paper, a document, a general intangible, an instrument, or investment property.

(78) "Tangible chattel paper" means chattel paper evidenced by a record or records consisting of information that is inscribed on a tangible medium.

(79) "Termination statement" means an amendment of a financing statement which:

(A) identifies, by its file number, the initial financing statement to which it relates; and

(B) indicates either that it is a termination statement or that the identified financing statement is no longer effective.

(80) "Transmitting utility" means a person primarily engaged in the business of:

(A) operating a railroad, subway, street railway, or trolley bus;

(B) transmitting communications electrically, electromagnetically, or by light;

(C) transmitting goods by pipeline or sewer; or

(D) transmitting or producing and transmitting electricity, steam, gas, or water.

(b) The following definitions in other articles apply to this article:

"Applicant".	Section 5-102.
"Beneficiary".	Section 5-102.
"Broker".	Section 8-102.
"Certificated security".	Section 8-102.
"Check".	Section 3-104.
"Clearing corporation".	Section 8-102.
"Contract for sale".	Section 2-106.
"Customer".	Section 4-104.
"Entitlement holder".	Section 8-102.
"Financial asset".	Section 8-102.
"Holder in due course".	Section 3-302.
"Issuer" (with respect to a letter of credit or letter-of-credit right).	Section 5-102.
"Issuer" (with respect to a security).	Section 8-201.
"Lease".	Section 2A-103.
"Lease agreement".	Section 2A-103.



"Lease contract".	Section 2A-103.
"Leasehold interest".	Section 2A-103.
"Lessee".	Section 2A-103.
"Lessee in ordinary course of business".	Section 2A-103.
"Lessor".	Section 2A-103.
"Lessor's residual interest".	Section 2A-103.
"Letter of credit".	Section 5-102.
"Merchant".	Section 2-104.
"Negotiable instrument".	Section 3-104.
"Nominated person".	Section 5-102.
"Note".	Section 3-104.
"Proceeds of a letter of credit".	Section 5-114.
"Prove".	Section 3-103.
"Sale".	Section 2-106.
"Securities account".	Section 8-501.
"Securities intermediary".	Section 8-102.
"Security".	Section 8-102.
"Security certificate".	Section 8-102.
"Security entitlement".	Section 8-102.
"Uncertificated security".	Section 8-102.

(c) Article 1 contains general definitions and principles of construction and interpretation applicable throughout this article.

Sec. 29. Section 9-519, Uniform Commercial Code, is amended to read:

9-519. Numbering, maintaining, and indexing records; communicating information provided in records.

(a) For each record filed in a filing office, including each record filed in a filing office pursuant to ~~Chapter 52, article 2, 5, 7, 9, 10, 11, 12, or 14, Chapter 54, article 2, the Uniform Federal Lien Registration Act or the Uniform State Tax Lien Registration and Enforcement Act~~, the filing office shall:

- (1) assign a unique number to the filed record;
- (2) create a record that bears the number assigned to the filed record and the date and time of filing;
- (3) maintain the filed record for public inspection; and
- (4) index the filed record in accordance with subsections (c), (d), and (e).

(b) A file number must include a digit that:

- (1) is mathematically derived from or related to the other digits of the file number; and
- (2) enables the filing office to detect whether a number communicated as the file number includes a single-digit or transpositional error.

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

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

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

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

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

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

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

- (1) under the name of the assignor as grantor; and
- (2) to the extent that the law of this state provides for indexing a record of the assignment of a mortgage under the name of the assignee, under

the name of the assignee.

(f) The filing office shall maintain a capability:

(1) to retrieve a record by the name of the debtor and by the file number assigned to the initial financing statement to which the record relates; and

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

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

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

(i) Subsections (b) and (h) do not apply to a filing office described in section 9-501(a)(1).

Sec. 30. Section 9-530, Uniform Commercial Code, is amended to read:

9-530. Filing information; Secretary of State; duties.

(a) Upon receipt of a financing statement relating to any collateral except collateral described in section 9-501(a)(1), the Secretary of State shall on the day of receipt enter into the centralized computer system the following document information:

(1) Identification of the document and the fact that the original document was filed with the Secretary of State;

(2) Document number;

(3) Name and address of the ~~debtor or debtors~~ obligor or obligors;

(4) Name and address of the ~~creditor or creditors~~ secured party or secured parties;

(5) Type or types of goods or property covered;

(6) Date and time of filing; and

(7) Social security number or federal tax identification number of the ~~debtor or debtors~~ obligor or obligors, if available.

~~(b) Upon receipt of a lien filed pursuant to Chapter 52, article 2, 5, 7, 9, 11, 12, or 14, or Chapter 54, article 2, or an amendment, release, or termination of such lien, the Secretary of State shall on the day of receipt enter into the centralized computer system the following document information:~~

~~(1) Identification of the document and the fact that the original document was filed with the Secretary of State;~~

~~(2) Document number;~~

~~(3) Name and address of the debtor or debtors;~~

~~(4) Name and address of the lienholder or lienholders;~~

~~(5) Type or types of property covered;~~

~~(6) Date and time of filing;~~

~~(7) Social security number or federal tax identification number of the debtor or debtors, if known; and~~

~~(8) Social security number or federal tax identification number of the lienholder or lienholders.~~

~~(e)(1) (b)(1)~~ Upon receipt of a notice of lien upon real property or a certificate or a notice affecting the lien presented for filing pursuant to the Uniform Federal Lien Registration Act or a notice of lien upon real property, release, continuation, subordination, or termination presented for filing pursuant to the Uniform State Tax Lien Registration and Enforcement Act, the Secretary of State shall on the date of receipt enter into the centralized computer system the following document information:

(i) Identification of the document and any county designated as a county in which the real property is situated;

(ii) Document number;

(iii) Type or types of property covered; and

(iv) The information entered pursuant to section 52-1003 or 77-3903, Reissue Revised Statutes of Nebraska.

(2) Upon receipt of a notice of lien upon personal property or a certificate or a notice affecting the lien filed pursuant to the Uniform Federal Lien Registration Act or a notice of lien upon personal property, release, continuation, subordination, or termination filed pursuant to the Uniform State Tax Lien Registration and Enforcement Act, the Secretary of State shall on the date of receipt enter into the centralized computer system the following document information:

(i) Identification of the document;

(ii) Document number;

(iii) Type or types of property covered; and

(iv) The information entered pursuant to section 52-1003 or 77-3903, Reissue Revised Statutes of Nebraska.

~~(d)~~ (c) The Secretary of State shall maintain the information received under subsections (a) ~~through (e)~~ and (b) of this section so that such information shall be available for the following types of inquiry: In person, written, and telephone and other electronic media, including computers.

Sec. 31. This act becomes operative on July 1, 2001.

Sec. 32. Original sections 52-202, 52-502, 52-901, 52-904, 52-1201, and 52-1204, Reissue Revised Statutes of Nebraska, sections 52-203, 52-204, 52-501, 52-504, 52-701, 52-702, 52-902, 52-903, 52-905, 52-1101 to 52-1104, 52-1202, 52-1203, 52-1205, 52-1407, 52-1409, 54-201, 54-208, and 54-209, Revised Statutes Supplement, 2000, and sections 9-102, 9-519, and 9-530, Uniform Commercial Code, are repealed.

Sec. 33. The following section is outright repealed: Section 52-503, Reissue Revised Statutes of Nebraska.

Sec. 34. Since an emergency exists, this act takes effect when passed and approved according to law.