

ONE HUNDRED FIFTH LEGISLATURE - FIRST SESSION - 2017
COMMITTEE STATEMENT
LB142

Hearing Date: Tuesday January 24, 2017
Committee On: Banking, Commerce and Insurance
Introducer: Williams
One Liner: Redefine effective financing statement and change provisions relating to the master lien list with respect to farm product security interests

Roll Call Vote - Final Committee Action:
Advanced to General File

Vote Results:

Aye: 8 Senators Baker, Brewer, Craighead, Kolterman, Lindstrom, McCollister, Schumacher, Williams
Nay:
Absent:
Present Not Voting:

Verbal Testimony:

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| Proponents: Senator Matt Williams Bob Hallstrom | Representing: Introducer NE Bankers Association |
| Opponents: | Representing: |
| Neutral: | Representing: |

Summary of purpose and/or changes:

This bill would amend section 52-1307 of sections 52-1301 to 52-1322 which establishes a central filing system with the Secretary of State for security interests relating to farm products, and the bill would amend section 52-1603 of sections 52-1601 to 52-1605 which provides for compilation by the Secretary of State of information relative to certain statutory agricultural liens into a Master Lien List.

The bill would amend section 52-1307 which defines "effective financing statement" as a statement filed with the Secretary of State that, among other things, contains required information about the secured party, the debtor, and farm products subject to a security interest, and that shall be amended to reflect material changes. The bill would provide that a change in the name or address of the secured party shall not constitute a material change.

The bill would amend section 52-1603 which provides that a buyer of farm products who is registered to receive or obtain the master lien list and who, in the ordinary course of business, buys farm products from a seller engaged in farming operations shall take free of specified agricultural liens if the lien is not on the most recent master lien list received or obtained by the buyer. This section further provides that "received or obtained by the buyer" means the first date upon which delivery or publication of the master lien list is attempted by a carrier or, in the case of electronic publication, the first date upon which the Secretary of State made the most current master lien list available electronically, and in all cases a buyer shall be presumed to have received or obtained the master lien list ten days after it was mailed or published by the Secretary of State. The bill would amend the foregoing to provide that "received or obtained by the buyer" means the first date upon which "delivery" (instead of "delivery or publication") of the master lien

list is attempted by a carrier or, in the case of electronic publication, the first date upon which the Secretary of State made the most current master lien list available electronically, and in all cases "in which delivery of the master lien list is involved" a buyer shall be presumed to have "received" (instead of "received or obtained") the master lien list ten days after it was "mailed" (instead of "mailed or published") by the Secretary of State.

The bill carries the emergency clause.

Brett Lindstrom, Chairperson