LEGISLATURE OF NEBRASKA

ONE HUNDREDTH LEGISLATURE

FIRST SESSION

LEGISLATIVE BILL 346

Introduced by Pahls, 31

Read first time January 12, 2007

Committee: Banking, Commerce and Insurance

A BILL

1	FOR AN ACT relating to liens; to amend sections 52-1301, 52-1302,
2	52-1307, 52-1308, 52-1313, 52-1314, 52-1315, 52-1317,
3	52-1318, and 52-1602, Reissue Revised Statutes of
4	Nebraska, section 52-1312, Revised Statutes Cumulative
5	Supplement, 2006, and sections 9-315, 9-320, 9-529,
6	and 9-531, Uniform Commercial Code, Revised Statutes
7	Cumulative Supplement, 2006; to change provisions
8	relating to farm product security interests; to define a
9	term; to harmonize provisions; and to repeal the original
10	sections.

1 Section 1. Section 52-1301, Reissue Revised Statutes of

- 2 Nebraska, is amended to read:
- 3 52-1301 It is the intent of the Legislature to adopt
- 4 a central filing system for security interests relating to farm
- 5 products pursuant to section 1324 of the Food Security Act of
- 6 1985, Public Law 99-198. It is also the intent of the Legislature
- 7 that upon the adoption of the central filing system that security
- 8 interest holders be encouraged to use such system in lieu of any
- 9 other notice provided by section 1324 for farm products used or
- 10 produced or located in the State of Nebraska which are included in
- 11 the central filing system.
- 12 Sec. 2. Section 52-1302, Reissue Revised Statutes of
- 13 Nebraska, is amended to read:
- 14 52-1302 For purposes of sections 52-1301 to 52-1322 and
- 15 section 3 of this act, unless the context otherwise requires, the
- 16 definitions found in sections 52-1303 to 52-1311 and section 3 of
- 17 this act shall be used.
- 18 Sec. 3. Approved unique identifier means a number,
- 19 combination of numbers and letters, or other identifier selected by
- 20 the Secretary of State using a selection system or method approved
- 21 by the Secretary of the United States Department of Agriculture.
- 22 Sec. 4. Section 52-1307, Reissue Revised Statutes of
- 23 Nebraska, is amended to read:
- 24 52-1307 Effective financing statement means a statement
- 25 that:

- 1 (1) Is an original or reproduced copy thereof;
- 2 (2) Is signed and filed by the secured party in the
- 3 office of the Secretary of State;
- 4 (3) Is signed, authorized, or otherwise authenticated
- 5 by the debtor, unless filed electronically, in which case the
- 6 signature of the debtor shall not be required;
- 7 (4) Contains (a) the name and address of the secured
- 8 party, (b) the name and address of the debtor, (c) the social
- 9 security number or other approved unique identifier of the debtor
- 10 or, in the case of a debtor doing business other than as an
- 11 individual, the Internal Revenue Service taxpayer identification
- 12 number or other approved unique identifier of such debtor, (d) a
- 13 description of the farm products subject to the security interest,
- 14 (e) each county in Nebraska where the farm product is used or
- 15 produced or to be used or produced, located, (f) crop year unless
- 16 every crop of the farm product in question, for the duration of the
- 17 effective financing statement, is to be subject to the particular
- 18 security interest, (g) further details of the farm product subject
- 19 to the security interest if needed to distinguish it from other
- 20 quantities of such product owned by the same person or persons but
- 21 not subject to the particular security interest, and (h) such other
- 22 information that the Secretary of State may require to comply with
- 23 section 1324 of the Food Security Act of 1985, Public Law 99-198,
- 24 or to more efficiently carry out his or her duties under sections
- 25 52-1301 to 52-1322 and section 3 of this act;

1 (5) Shall be amended in writing, within three months,

- 2 similarly and signed, authorized, or otherwise authenticated by the
- 3 debtor and filed, to reflect material changes. If the statement
- 4 is filed electronically, the signature of the debtor shall not be
- 5 required;
- 6 (6) Remains effective for a period of five years from
- 7 the date of filing, subject to extensions for additional periods
- 8 of five years each by refiling or filing a continuation statement
- 9 within six months before the expiration of the five-year period;
- 10 (7) Lapses on either the expiration of the effective
- 11 period of the statement or the filing of a notice signed by the
- 12 secured party that the statement is terminated, whichever occurs
- 13 first:
- 14 (8) Is accompanied by the requisite filing fee set by
- 15 section 52-1313; and
- 16 (9) Substantially complies with the requirements of this
- 17 section even though it the statement contains minor errors that are
- 18 not seriously misleading.
- 19 An effective financing statement may, for any given
- 20 debtor or debtors, cover more than one farm product located in more
- 21 than one county.
- 22 Any effective financing statement that is filed
- 23 electronically shall include an electronic signature of the secured
- 24 party which may consist of a signature recognized under section
- 25 86-611 or an access code or any other identifying word or number

1 assigned by the Secretary of State that is unique to a particular

- 2 filer.
- 3 Sec. 5. Section 52-1308, Reissue Revised Statutes of
- 4 Nebraska, is amended to read:
- 5 52-1308 Farm product shall mean an agricultural
- 6 commodity, a species of livestock used or produced in farming
- 7 operations, or a product of such crop or livestock in its
- 8 unmanufactured state, that is in the possession of a person engaged
- 9 in farming operations. Farm products shall include, but are not
- 10 limited to, apples, artichokes, asparagus, barley, cantaloupe,
- 11 carrots, cattle and calves, chickens, corn, cucumbers, dry beans,
- 12 eggs, embryos or genetic products, fish, flax seed, fur-bearing
- 13 animals, grapes, hay, hogs, honey, honeydew melon, horses, legumes,
- 14 milk, muskmelon, oats, onions, popcorn, potatoes, pumpkins,
- 15 raspberries, rye, seed crops, sheep and lambs, silage, sorghum
- 16 grain, soybeans, squash, strawberries, sugar beets, sunflower
- 17 seeds, sweet corn, tomatoes, trees, triticale, turkeys, vetch,
- 18 walnuts, watermelon, wheat, and wool. The Secretary of State may,
- 19 by rule and regulation, add other farm products to the list
- 20 specified in this section if such products are covered by the
- 21 general definition provided by this section.
- 22 Sec. 6. Section 52-1312, Revised Statutes Cumulative
- 23 Supplement, 2006, is amended to read:
- 24 52-1312 The Secretary of State shall design and implement
- 25 a central filing system for effective financing statements. The

1 Secretary of State shall be the system operator. The system shall

- 2 provide a means for filing effective financing statements or
- 3 notices of such financing statements on a statewide basis. The
- 4 system shall include requirements:
- 5 (1) That an effective financing statement or notice of
- 6 such financing statement shall be filed in the office of the
- 7 Secretary of State. A debtor's residence shall be presumed to be
- 8 the residence shown on the filing. The showing of an improper
- 9 residence shall not affect the validity of the filing. The filing
- 10 officer shall mark the statement or notice with a consecutive
- 11 file number and with the date and hour of filing and shall hold
- 12 the statement or notice or a microfilm or other photographic copy
- 13 thereof for public inspection. In addition, the filing officer
- 14 shall index the statements and notices according to the name of the
- 15 debtor and shall note in the index the file number and the address
- 16 of the debtor given in the statement;
- 17 (2) That the Secretary of State compile information
- 18 from all effective financing statements or notices filed with the
- 19 Secretary of State into a master list (a) organized according
- 20 to farm product, (b) arranged within each such product (i) in
- 21 alphabetical order according to the last name of the individual
- 22 debtors or, in the case of debtors doing business other than as
- 23 individuals, the first word in the name of such debtors, (ii) in
- 24 numerical order according to the social security number or other
- 25 approved unique identifier of the individual debtors or, in the

1 case of debtors doing business other than as individuals, the

- 2 Internal Revenue Service taxpayer identification number or other
- 3 approved unique identifier of such debtors, (iii) geographically by
- 4 county, and (iv) by crop year, and (c) containing the information
- 5 referred to in subdivision (4) of section 52-1307;
- 6 (3) That the Secretary of State cause the information
- 7 on the master list to be published in lists (a) by farm product
- 8 arranged alphabetically by debtor and (b) by farm product arranged
- 9 numerically by the debtor's social security number or other
- 10 approved unique identifier for individual debtors or, in the
- 11 case of debtors doing business other than as individuals, the
- 12 Internal Revenue Service taxpayer identification number or other
- 13 approved unique identifier of such debtors. If a registered buyer
- 14 so requests, the list or lists for such buyer may be limited to
- 15 any county or group of counties where the farm product is used or
- 16 produced or located or to any crop year or years or a combination
- 17 of such identifiers;
- 18 (4) That all buyers of farm products, commission
- 19 merchants, selling agents, and other persons may register with the
- 20 Secretary of State to receive lists described in subdivision (3)
- 21 of this section. Any buyer of farm products, commission merchant,
- 22 selling agent, or other person conducting business from multiple
- 23 locations shall be considered as one entity. Such registration
- 24 shall be on an annual basis. The Secretary of State shall provide
- 25 the form for registration which shall include the name and address

1 of the registrant and the list or lists described in subdivision

- 2 (3) of this section which such registrant desires to receive.
- 3 A registration shall not be completed until the form provided
- 4 is properly completed and received by the Secretary of State
- 5 accompanied by the proper registration fee. The fee for annual
- 6 registration shall be thirty dollars.
- 7 A registrant shall pay an additional annual fee to
- 8 receive quarterly lists described in subdivision (3) of this
- 9 section. For each farm product list provided on microfiche, the
- 10 annual fee shall be twenty-five dollars. For each farm product list
- 11 provided on paper, the annual fee shall be two hundred dollars. The
- 12 annual fee for a special list which is a list limited to fewer than
- 13 all counties or less than all crop years shall be one hundred fifty
- 14 dollars for each farm product.
- 15 The Secretary of State shall maintain a record of the
- 16 registrants and the lists and contents of the lists received by the
- 17 registrants for a period of five years;
- 18 (5) That the lists as identified pursuant to subdivision
- 19 (4) of this section be distributed by the Secretary of State on a
- 20 quarterly basis and be in written or printed form. A registrant may
- 21 choose in lieu of receiving a written or printed form to receive
- 22 statewide lists on microfiche. The Secretary of State may provide
- 23 for the distribution of the lists on any other medium and establish
- 24 reasonable charges therefor. The distribution shall be made by
- 25 either certified or registered mail, return receipt requested.

1 The Secretary of State shall, by rule and regulation,

- 2 establish the dates upon which the quarterly distributions will be
- 3 made, the dates after which a filing of an effective financing
- 4 statement will not be reflected on the next quarterly distribution
- 5 of lists, and the dates by which a registrant must complete a
- 6 registration to receive the next quarterly list; and
- 7 (6) That the Secretary of State remove lapsed and
- 8 terminated effective financing statements or notices of such
- 9 financing statements from the master list prior to preparation
- 10 of the lists required to be distributed by subdivision (5) of this
- 11 section.
- 12 Effective financing statements or any amendments or
- 13 continuations of effective financing statements originally filed
- 14 in the office of the county clerk that have been indexed and
- 15 entered on the Secretary of State's central filing system need not
- 16 be retained by the county filing office and may be disposed of or
- 17 destroyed.
- 18 The Secretary of State shall apply to the Secretary of
- 19 the United States Department of Agriculture for (a) certification
- 20 of the central filing system and (b) approval of the system or
- 21 method of selecting an approved unique identifier.
- 22 The Secretary of State shall deposit any funds received
- 23 pursuant to subdivision (4) of this section in the Uniform
- 24 Commercial Code Cash Fund.
- 25 Sec. 7. Section 52-1313, Reissue Revised Statutes of

- 1 Nebraska, is amended to read:
- 2 52-1313 (1) Presentation for filing of an effective
- 3 financing statement and the acceptance of the statement by the
- 4 Secretary of State constitutes filing under sections 52-1301 to
- 5 52-1322 and section 3 of this act.
- 6 (2) The fee for filing and indexing and for stamping a
- 7 copy furnished by the secured party to show the date and place
- 8 of filing of an effective financing statement, an amendment, or a
- 9 continuation statement shall be ten dollars. There shall be no fee
- 10 for the filing of a termination statement.
- 11 (3) The fee for attachments to all instruments submitted
- 12 for filing shall be fifty cents per page.
- 13 (4) The Secretary of State shall deposit any fees
- 14 received pursuant to this section in the Uniform Commercial Code
- 15 Cash Fund.
- 16 Sec. 8. Section 52-1314, Reissue Revised Statutes of
- 17 Nebraska, is amended to read:
- 18 52-1314 (1) A continuation statement may be filed by the
- 19 secured party within six months prior to the expiration of the
- 20 five-year period specified in subdivision (6) of section 52-1307.
- 21 Any such continuation statement shall be signed, authorized, or
- 22 <u>otherwise authenticated</u> by the secured party, identify the original
- 23 statement by file number, and state that the original statement is
- 24 still effective. Upon timely filing of the continuation statement,
- 25 the effectiveness of the original statement shall be continued for

1 five years after the last date to which the filing was effective

- 2 whereupon it shall lapse unless another continuation statement is
- 3 filed prior to such lapse. If an effective financing statement
- 4 exists at the time insolvency proceedings are commenced by or
- 5 against the debtor, the effective financing statement shall remain
- 6 effective until termination of the insolvency proceedings and
- 7 thereafter for a period of sixty days or until the expiration
- 8 of the five-year period, whichever occurs later. Succeeding
- 9 continuation statements may be filed in the same manner to continue
- 10 the effectiveness of the original statement.
- 11 (2) Any continuation statement that is filed
- 12 electronically shall include an electronic signature of the
- 13 secured party which may consist of a signature recognized under
- 14 section 86-611 or an access code or any other identifying word
- 15 or number assigned by the Secretary of State that is unique to a
- 16 particular filer.
- 17 Sec. 9. Section 52-1315, Reissue Revised Statutes of
- 18 Nebraska, is amended to read:
- 19 52-1315 (1) Whenever there is no outstanding secured
- 20 obligation and no commitment to make advances, incur obligations,
- 21 or otherwise give value, the secured party shall notify the debtor
- 22 in writing of his or her right to have a notice of lapse of his
- 23 or her effective financing statement filed which shall lead to the
- 24 removal of his or her name from the files and lists compiled by the
- 25 Secretary of State. In lieu of such notice, the secured party may

1 acquire a waiver of the debtor of such right and a request by the

- 2 debtor that his or her effective financing statement be retained on
- 3 file. Such notice may be given or waiver acquired by the secured
- 4 party at any time prior to the time specified in this subsection
- 5 for giving the notice.
- 6 (2) If the secured party does not furnish the notice
- 7 or obtain the waiver specified in subsection (1) of this section,
- 8 the secured party shall, within ten days of final payment of all
- 9 secured obligations, provide the debtor with a written notification
- 10 of the debtor's right to have a notice of lapse filed. The secured
- 11 party shall on written demand by the debtor send the debtor a
- 12 notice of lapse to the effect that he or she no longer claims a
- 13 security interest under the effective financing statement, which
- 14 shall be identified by file number. The notice of lapse need only
- 15 be signed, authorized, or otherwise authenticated by the secured
- 16 party.
- 17 (3) If the affected secured party fails to send a
- 18 notice of lapse within ten days after proper demand, pursuant to
- 19 subsection (2) of this section, he or she shall be liable to the
- 20 debtor for any loss caused to the debtor by such failure.
- 21 (4) On presentation to the Secretary of State of a notice
- 22 of lapse, he or she shall treat it as a termination statement and
- 23 note it in the index. If he or she has received the notice of
- 24 lapse in duplicate, he or she shall return one copy of the notice
- 25 of lapse to the filing party stamped to show the time of receipt

- 1 thereof.
- 2 (5) There shall be no fee for filing a notice of lapse or
- 3 termination statement.
- 4 Sec. 10. Section 52-1317, Reissue Revised Statutes of
- 5 Nebraska, is amended to read:
- 6 52-1317 In order to verify the existence or nonexistence
- 7 of a security interest, a buyer, commission merchant, or selling
- 8 agent may request a seller to disclose such seller's social
- 9 security number or approved unique identifier or, in the case of
- 10 a seller doing business other than as an individual, the Internal
- 11 Revenue Service taxpayer identification number or approved unique
- 12 identifier of such seller.
- 13 Sec. 11. Section 52-1318, Reissue Revised Statutes of
- 14 Nebraska, is amended to read:
- 15 52-1318 (1) The State of Nebraska hereby adopts the
- 16 federal rules and regulations in effect on November 21, 1986, the
- 17 effective date of this act, adopted and promulgated to implement
- 18 section 1324 of the Food Security Act of 1985, Public Law 99-198.
- 19 If there is a conflict between such rules and regulations and
- 20 sections 52-1301 to 52-1322 and section 3 of this act, the federal
- 21 rules and regulations shall apply.
- 22 (2) The Secretary of State shall adopt and promulgate
- 23 rules and regulations necessary to implement sections 52-1301 to
- 24 52-1322 and section 3 of this act pursuant to the Administrative
- 25 Procedure Act. If necessary to obtain federal certification of the

1 central filing system, additional or alternative requirements made

- 2 in conformity with section 1324 of the Food Security Act of 1985,
- 3 Public Law 99-198, may be imposed by the Secretary of State by rule
- 4 and regulation.
- 5 (3) The Secretary of State shall prescribe all forms to
- 6 be used for filing effective financing statements and subsequent
- 7 actions.
- 8 Sec. 12. Section 52-1602, Reissue Revised Statutes of
- 9 Nebraska, is amended to read:
- 10 52-1602 (1) The master lien list prescribed in section
- 11 52-1601 shall be distributed by the Secretary of State on a
- 12 quarterly basis corresponding to the date on which the lists
- 13 provided pursuant to sections 52-1301 to 52-1322 and section 3
- 14 of this act are distributed. Such master lien list may be mailed
- 15 with the list provided pursuant to sections 52-1301 to 52-1322 and
- 16 section 3 of this act. If mailed separately, the master lien list
- 17 shall be mailed by either certified or registered mail, return
- 18 receipt requested.
- 19 (2) Any person may register with the Secretary of State
- 20 to receive the master lien list prescribed in section 52-1601.
- 21 Such registration shall be on an annual basis. The Secretary of
- 22 State shall provide the form for registration. A registration shall
- 23 not be completed until the form provided is properly completed
- 24 and received by the Secretary of State accompanied by the proper
- 25 registration fee. The fee for annual registration shall be thirty

1 dollars, except that a registrant under sections 52-1301 to 52-1322

- 2 and section 3 of this act shall not be required to pay the
- 3 registration fee provided by this section in addition to the
- 4 registration fee paid pursuant to sections 52-1301 to 52-1322 and
- 5 section 3 of this act for the same annual registration period.
- 6 Beginning for calendar year 1989, a registrant under sections
- 7 52-1601 to 52-1605 shall pay an additional annual fee to receive
- 8 quarterly master lien lists prescribed in section 52-1601. For each
- 9 master lien list provided on microfiche, the annual fee shall be
- 10 twenty-five dollars. For each master lien list provided on paper,
- 11 the annual fee shall be two hundred dollars. The Secretary of State
- 12 may provide for the distribution of master lien lists on any other
- 13 medium and may establish reasonable charges therefor.
- 14 (3) The Secretary of State, by rule and regulation,
- 15 shall establish the dates after which a filing of liens will not
- 16 be reflected on the next quarterly distribution of the master
- 17 lien list and the date by which a registrant shall complete a
- 18 registration in order to receive the next quarterly master lien
- 19 list.
- 20 (4) The Secretary of State shall deposit any funds
- 21 received pursuant to subsection (2) of this section in the Uniform
- 22 Commercial Code Cash Fund.
- 23 Sec. 13. Section 9-315, Uniform Commercial Code, Revised
- 24 Statutes Cumulative Supplement 2006, is amended to read:
- 25 9-315 (a) (1) Except as otherwise provided in this article

- 1 and in section 2-403(2):
- 2 (A) a security interest or agricultural lien continues
- 3 in collateral notwithstanding sale, lease, license, exchange, or
- 4 other disposition thereof unless the secured party authorized the
- 5 disposition free of the security interest or agricultural lien; and
- 6 (B) a security interest attaches to any identifiable
- 7 proceeds of collateral.
- 8 (2) Authorization to sell, lease, license, exchange,
- 9 or otherwise dispose of farm products shall not be implied or
- 10 otherwise result, nor shall a security interest in farm products
- 11 be considered to be waived, modified, released, or terminated if
- 12 such disposition is conditioned upon the secured party's receipt
- 13 of proceeds or from any course of conduct, course of performance,
- 14 or course of dealing between the parties or by any usage of
- 15 trade in any case in which (A) the secured party has filed an
- 16 effective financing statement in accordance with the provisions of
- 17 sections 52-1301 to 52-1322 and section 3 of this act, Reissue
- 18 Revised Statutes of Nebraska, or (B) the buyer of farm products
- 19 has received notice from the secured party or the seller of
- 20 farm products in accordance with the provisions of 7 U.S.C.
- 21 1631(e)(1)(A), unless the buyer has secured a waiver or release
- 22 of the security interest specified in such effective financing
- 23 statement or notice from the secured party.
- 24 (b) Proceeds that are commingled with other property are
- 25 identifiable proceeds:

1 (1) if the proceeds are goods, to the extent provided by

- 2 section 9-336; and
- 3 (2) if the proceeds are not goods, to the extent that
- 4 the secured party identifies the proceeds by a method of tracing,
- 5 including application of equitable principles, that is permitted
- 6 under law other than this article with respect to commingled
- 7 property of the type involved.
- 8 (c) A security interest in proceeds is a perfected
- 9 security interest if the security interest in the original
- 10 collateral was perfected.
- 11 (d) A perfected security interest in proceeds becomes
- 12 unperfected on the twenty-first day after the security interest
- 13 attaches to the proceeds unless:
- 14 (1) the following conditions are satisfied:
- 15 (A) a filed financing statement covers the original
- 16 collateral;
- 17 (B) the proceeds are collateral in which a security
- 18 interest may be perfected by filing in the office in which the
- 19 financing statement has been filed; and
- 20 (C) the proceeds are not acquired with cash proceeds;
- 21 (2) the proceeds are identifiable cash proceeds; or
- 22 (3) the security interest in the proceeds is perfected
- 23 other than under subsection (c) when the security interest attaches
- 24 to the proceeds or within twenty days thereafter.
- 25 (e) If a filed financing statement covers the original

1 collateral, a security interest in proceeds which remains perfected

- 2 under subdivision (d)(1) becomes unperfected at the later of:
- 3 (1) when the effectiveness of the filed financing
- 4 statement lapses under section 9-515 or is terminated under section
- 5 9-513; or
- 6 (2) the twenty-first day after the security interest
- 7 attaches to the proceeds.
- 8 Sec. 14. Section 9-320, Uniform Commercial Code, Revised
- 9 Statutes Cumulative Supplement 2006, is amended to read:
- 10 9-320 (a) Except as otherwise provided in subsection (e),
- 11 a buyer in ordinary course of business, other than a person buying
- 12 farm products from a person engaged in farming operations, takes
- 13 free of a security interest created by the buyer's seller, even
- 14 if the security interest is perfected and the buyer knows of its
- 15 existence. A buyer of farm products may be subject to a security
- 16 interest under sections 52-1301 to 52-1322 and section 3 of this
- 17 act, Reissue Revised Statutes of Nebraska.
- 18 (b) Except as otherwise provided in subsection (e), a
- 19 buyer of goods from a person who used or bought the goods for use
- 20 primarily for personal, family, or household purposes takes free of
- 21 a security interest, even if perfected, if the buyer buys:
- 22 (1) without knowledge of the security interest;
- 23 (2) for value;
- 24 (3) primarily for the buyer's personal, family, or
- 25 household purposes; and

1 (4) before the filing of a financing statement covering

- 2 the goods.
- 3 (c) To the extent that it affects the priority of a
- 4 security interest over a buyer of goods under subsection (b), the
- 5 period of effectiveness of a filing made in the jurisdiction in
- 6 which the seller is located is governed by section 9-316(a) and
- 7 (b).
- 8 (d) A buyer in ordinary course of business buying oil,
- 9 gas, or other minerals at the wellhead or minehead or after
- 10 extraction takes free of an interest arising out of an encumbrance.
- 11 (e) Subsections (a) and (b) do not affect a security
- 12 interest in goods in the possession of the secured party under
- 13 section 9-313.
- 14 (f) No buyer shall be allowed to take advantage of and
- 15 apply the right of offset to defeat a priority established by any
- 16 lien or security interest.
- 17 Sec. 15. Section 9-529, Uniform Commercial Code, Revised
- 18 Statutes Cumulative Supplement 2006, is amended to read:
- 19 9-529 (a) The Secretary of State shall implement and
- 20 maintain a centralized computer system for the accumulation and
- 21 dissemination of information relative to financing statements for
- 22 any type of collateral except collateral described in section
- 23 9-501(a)(1). Such a system shall include the entry of information
- 24 into the computer system by the Secretary of State pursuant to
- 25 section 9-530 and the dissemination of such information by a

1 computer system or systems, telephone, mail, and such other means

- 2 of communication as may be deemed appropriate. Such system shall be
- 3 an interactive system.
- 4 (b) Computer access to information regarding obligations
- 5 of debtors shall be made available twenty-four hours a day on every
- 6 day of the year. The Secretary of State shall provide information
- 7 from the system by telephone during normal business hours.
- 8 (c) The centralized computer system implemented and
- 9 maintained pursuant to this section shall include information
- 10 relative to effective financing statements as provided in sections
- 11 52-1301 to 52-1322 and section 3 of this act, Reissue Revised
- 12 Statutes of Nebraska, and statutory liens as provided in sections
- 13 52-1601 to 52-1605, Reissue Revised Statutes of Nebraska.
- 14 Sec. 16. Section 9-531, Uniform Commercial Code, Revised
- 15 Statutes Cumulative Supplement 2006, is amended to read:
- 16 9-531 (a) There is created the Uniform Commercial Code
- 17 Cash Fund. Except as otherwise specifically provided, all funds
- 18 received pursuant to this part and sections 52-1312, 52-1313,
- 19 52-1316, and 52-1602, Reissue Revised Statutes of Nebraska, shall
- 20 be placed in the fund and used by the Secretary of State to
- 21 carry out this part, sections 52-1301 to 52-1322 and section 3
- 22 of this act, Reissue Revised Statutes of Nebraska, and sections
- 23 52-1601 to 52-1605, Reissue Revised Statutes of Nebraska, except
- 24 that transfers from the Uniform Commercial Code Cash Fund to the
- 25 General Fund and the Records Management Cash Fund may be made at

- 1 the direction of the Legislature.
- 2 (b) (1) The Secretary of State shall furnish each county
- 3 clerk with computer terminal hardware, including a printer,
- 4 compatible with the centralized computer system implemented and
- 5 maintained pursuant to section 9-529, for inquiries and searches
- 6 of information in such centralized computer system. The terminals
- 7 shall be readily and reasonably available and accessible to members
- 8 of the public for such inquiries and searches.
- 9 (2) The fees charged by county clerks for inquiries and
- 10 other services regarding information in the centralized computer
- 11 system shall be the same as set forth for filing offices in this
- 12 part.
- 13 Sec. 17. Original sections 52-1301, 52-1302, 52-1307,
- 14 52-1308, 52-1313, 52-1314, 52-1315, 52-1317, 52-1318, and 52-1602,
- 15 Reissue Revised Statutes of Nebraska, section 52-1312, Revised
- 16 Statutes Cumulative Supplement, 2006, and sections 9-315, 9-320,
- 17 9-529, and 9-531, Uniform Commercial Code, Revised Statutes
- 18 Cumulative Supplement, 2006, are repealed.