

vote aye, opposed vote no. Have you all voted on the motion to bring the bill back for specific amendments as found on page 841? Record.

CLERK: 27 ayes, 0 nays on the motion to return, Mr. President.

SPEAKER MARVEL: The bill is returned. Senator Nichol.

SENATOR NICHOL: Mr. Chairman, the first amendment...it has been suggested that we should continue to define when a debtor has rights to collateral. This reinstates the existing description listing of when a debtor has a right to collateral. I move for the adoption of this amendment.

SPEAKER MARVEL: Senator Nichol, will you explain both of them, please?

SENATOR NICHOL: Okay, the second amendment generally reinstates the existing requirements for the providing of a statement when there is no outstanding secured obligation and no commitment to make advances, incur obligations or otherwise give value. In the first amendment it merely states when a debtor has ownership in property and it has to do with things that are not now in existence. For example, when a farmer buys seed to plant a crop, he doesn't have equity in a crop until the seed is planted and the crop appears, or if he is buying cows for a calf crop he doesn't have a calf crop until the cow has conceived, or if he is buying fish, or if he is catching fish, he doesn't have collateral in the fish until they are caught, just to give you a couple of examples. The other amendment...the other amendment has to do with releasing of financial statements and for those of you who are interested, financial statement is filed when someone intends to do business with a bank or a financial institution, and a financial statement is filed with the county clerk's office. Then during a certain length of time the borrower may borrow and pay off and borrow and pay off without going each time to the bank for a new transaction. Then when the farmer or anyone else wishes to terminate this they may terminate it and the financing institution may file a closing statement or a release. This is merely what it says and it is the way it was in the past. I move for the adoption of these two amendments.

SPEAKER MARVEL: The motion is the adoption of the amendments as found on page 841. Senator Maresh, do you wish to speak to that motion?