



From the Office of Secretary of State

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New law protects Nebraska property owners from harassing liens

LINCOLN – Secretary of State John Gale commended passage of a bill, signed by Governor Heineman, which offers protection to Nebraska property owners against fraudulently filed liens, financial statements or documents in an effort to harass or obstruct the person named. Doing so under the new law is a Class IV felony.

“Passage of LB3 is an important step in protecting people from this type of paper harassment,” said Gale. “Not only does this bill implement a penalty against those who abuse the process, it also creates a process of notification to the person who is named in the lien.”

Gale said that previously, it could be decades before people would realize that a lien had been filed. Under the new law, the county sheriff would be required to serve a copy of the lien and proof of notice would be filed with the register of deeds office.

“We’re not talking about legitimate liens in this case,” said Gale. “These are entirely fraudulent, often filed by parties outside the state with no real purpose other than to intimidate the person named or perhaps to extract money from the property owner. Getting these issues resolved is very frustrating for those involved, not to mention expensive to fight through the courts.”

Additionally, the law provides that anyone filing a nonconsensual lien must file a judicial proceeding within 10 days of recording the lien otherwise, it fails to take effect.

Earlier this session, Governor Heineman signed LB210 which provides protection against bogus UCC filings. Like those filings, fraudulently filed liens are also becoming a growing problem.

Senator Bob Krist of Omaha sponsored LB3. It was signed by the Governor with an emergency clause, so it will take effect immediately.

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