IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 549

BY STATE AFFAIRS COMMITTEE

AN ACT

- RELATING TO LIENS; AMENDING SECTION 45-1910, IDAHO CODE, TO PROVIDE WHEN A
 NOTICE OF STATE LIEN WITH A COUNTY RECORDER FILED ON A DATE CERTAIN SHALL
 LAPSE, TO PROVIDE WHEN NOTICE OF A STATE LIEN TRANSITIONED TO THE SECRE TARY OF STATE SHALL REMAIN IN EFFECT AND TO MAKE A TECHNICAL CORRECTION;
 AND DECLARING AN EMERGENCY.
- 7 Be It Enacted by the Legislature of the State of Idaho:

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8 SECTION 1. That Section 45-1910, Idaho Code, be, and the same is hereby 9 amended to read as follows:

45-1910. EFFECTIVE DATE AND TRANSITION. (1) This chapter shall be in
full force and effect for all notices of state lien which are filed on or after July 1, 1998.

(2) Except for notices of state lien for child support delinquency, the
transition period for filing notices of state lien shall begin on January
1, 1998, and end on June 30, 1998. The following conditions shall apply to
notices which were filed or recorded before January 1, 1998, and to notices
filed during the transition period:

(a) A notice of state lien which was recorded with a county recorder 18 between January 1, 1993, and June 30, 1993, shall lapse on the fifth 19 anniversary of the recording date, unless the filing agency records a 20 notice of renewal with the recorder prior to the lapse and files a notice 21 of transition and continuation with the secretary of state before July 22 23 1, 1998. A notice of transition and continuation shall include all of the information required by section 45-1904, Idaho Code, the date of the 24 recording of the original notice with the county recorder, and a state-25 ment that the effectiveness of the notice is to be continued for another 26 five (5) year period. In the event the filing agency files a notice of 27 transition and continuation, the effectiveness of the notice of state 28 lien shall lapse on the tenth anniversary of the original recording 29 date, unless the filing agency files a further notice of continuation as 30 required by section 45-1906(4), Idaho Code. 31

(b) A notice of state lien which was recorded with a county recorder 32 between July 1, 1993, and December 31, 1997, will remain effective be-33 yond June 30, 1998, only if a filing agency files a notice of transi-34 tion with the secretary of state during the transition period. A notice 35 36 of transition shall include all of the information required by section 45-1904, Idaho Code, and the date of the recording of the original no-37 tice with the county recorder. After a notice of transition has been 38 filed, the effectiveness of the notice of state lien shall lapse on the 39 fifth anniversary of the date of the recording with the county recorder, 40 unless the filing agency files a notice of continuation as required by 41 section 45-1906(4), Idaho Code. 42

(c) A notice of state lien which is first filed during the transition 1 2 period shall be fully effective during the transition period only if the filing agency has filed a notice with the secretary of state and 3 recorded a notice with the appropriate county recorder. A notice of 4 state lien which is filed with the secretary of state during the transi-5 tion period, and which is not recorded with the county recorder, shall 6 7 be fully effective on and after July 1, 1998, and shall be effective before that date against any party with actual notice after the date of 8 filing. A notice of state lien which is recorded with a county recorder 9 during the transition period, but not filed with the secretary of state, 10 11 shall be fully effective through June 30, 1998. A notice of state lien first filed during the transition period shall lapse on the fifth an-12 niversary of the date of filing with the secretary of state, unless the 13 filing agency files a notice of continuation as required by section 14 45-1906(4), Idaho Code. 15

(3) The effectiveness of a notice of state lien for child support delinquency which was recorded with a county recorder shall lapse on July 1, 1998,
unless a notice of transition is filed with the secretary of state on or before July 1, 1998. If a notice of transition is filed, the notice of state
lien will remain effective until a notice of release is filed pursuant to
section 45-1908(2), Idaho Code.

(4) <u>A notice of state lien on record with a county recorder before July</u>
 <u>1, 1998, and not previously lapsed or released, shall be deemed to have</u>
 <u>lapsed on July 1, 1998, and shall be null, void and of no further force and</u>
 <u>effect.</u>

<u>(5) A notice of state lien transitioned to the secretary of state will</u>
 remain in effect on the records of the secretary of state pursuant to the
 procedures of section 45-1906, Idaho Code, despite having lapsed with the
 county recorder under the preceding section.

30 (6) Notwithstanding the provisions of section 45-1905, Idaho Code, a 31 state lien which was perfected under a prior law and transitioned to perfec-32 tion under this chapter without a break in perfection, shall have priority as 33 if it had been filed under this chapter on the date of its original perfection 34 under the prior law.

35 SECTION 2. An emergency existing therefor, which emergency is hereby
 36 declared to exist, this act shall be in full force and effect on and after its
 37 passage and approval.