

LEGISLATIVE BILL 1015

Approved by the Governor April 18, 1994

Introduced by Witek, 31

AN ACT relating to bank deposits and collections; to amend section 4-104, Uniform Commercial Code; to redefine the term "banking day"; and to repeal the original section.

Be it enacted by the people of the State of Nebraska,

Section 1. That section 4-104, Uniform Commercial Code, be amended to read as follows:

U4-104. Definitions and index of definitions.

(a) In this article, unless the context otherwise requires:

(1) "Account" means any deposit or credit account with a bank, including a demand, time, savings, passbook, share draft, or like account, other than an account evidenced by a certificate of deposit;

(2) "Afternoon" means the period of a day between noon and midnight;

(3) "Banking day" means that the part of any a day on which a bank is open to the public for carrying on substantially all of its banking functions but, for purposes of a bank's midnight deadline, shall not include Saturday, Sunday, or any holiday when the federal reserve banks are not performing check clearing functions;

(4) "Clearinghouse" means an association of banks or other payors regularly clearing items;

(5) "Customer" means a person having an account with a bank or for whom a bank has agreed to collect items, including a bank that maintains an account at another bank;

(6) "Documentary draft" means a draft to be presented for acceptance or payment if specified documents, certificated securities (section 8-102) or instructions for uncertificated securities (section 8-308), or other certificates, statements, or the like are to be received by the drawee or other payor before acceptance or payment of the draft;

(7) "Draft" means a draft as defined in section 3-104 or an item, other than an instrument, that is an order;

(8) "Drawee" means a person ordered in a draft to make payment;

(9) "Item" means an instrument or a promise or order to pay money handled by a bank for collection or payment. The term does not include a payment order governed by article 4A or a credit or debit card slip;

(10) "Midnight deadline" with respect to a bank is midnight on its next banking day following the banking day on which it receives the relevant item or notice or from which the time for taking action commences to run, whichever is later;

(11) "Settle" means to pay in cash, by clearinghouse settlement, in a charge or credit or by remittance, or otherwise as agreed. A settlement may be either provisional or final;

(12) "Suspend payments" with respect to a bank means that it has been closed by order of the supervisory authorities, that a public officer has been appointed to take it over, or that it ceases or refuses to make payments in the ordinary course of business.

(b) Other definitions applying to this article and the sections in which they appear are:

"Agreement for electronic presentment".

Section 4-110.

"Bank".

Section 4-105.

"Collecting bank".

Section 4-105.

"Depository bank".

Section 4-105.

"Intermediary bank".

Section 4-105.

"Payor bank".

Section 4-105.

"Presenting bank".

Section 4-105.

"Presentment notice".

Section 4-110.

(c) The following definitions in other articles apply to this article:

"Acceptance".

Section 3-409.

"Alteration".

Section 3-407.

"Cashier's check".

Section 3-104.

"Certificate of deposit".

Section 3-104.

"Certified check".

Section 3-409.

"Check".

Section 3-104.

"Good faith".

Section 3-103.

"Holder in due course".	Section 3-302.
"Instrument".	Section 3-104.
"Notice of dishonor".	Section 3-503.
"Order".	Section 3-103.
"Ordinary care".	Section 3-103.
"Person entitled to enforce".	Section 3-301.
"Presentment".	Section 3-501.
"Promise".	Section 3-103.
"Prove".	Section 3-103.
"Teller's check".	Section 3-104.
"Unauthorized signature".	Section 3-403.

(d) In addition article 1 contains general definitions and principles of construction and interpretation applicable throughout this article.

Sec. 2. That original section 4-104, Uniform Commercial Code, is repealed.