

84-9-109. Scope. (a) **General scope of article.** Except as otherwise provided in subsections (c) and (d), this article applies to:

- (1) A transaction, regardless of its form, that creates a security interest in personal property or fixtures by contract;
- (2) an agricultural lien;
- (3) a sale of accounts, chattel paper, payment intangibles, or promissory notes;
- (4) a consignment;
- (5) a security interest arising under K.S.A. 84-2-401, 84-2-505, subsection (3) of 84-2-711 or subsection (5) of 84-2a-508, and amendments thereto, as provided in K.S.A. 2014 Supp. 84-9-110, and amendments thereto; and
- (6) a security interest arising under K.S.A. 84-4-201 or 84-5-118, and amendments thereto.

(b) **Security interest in secured obligation.** The application of this article to a security interest in a secured obligation is not affected by the fact that the obligation is itself secured by a transaction or interest to which this article does not apply.

(c) **Extent to which article does not apply.** This article does not apply to the extent that:

- (1) A statute, regulation, or treaty of the United States preempts this article;
- (2) another statute of this state expressly governs the creation, perfection, priority or enforcement of a security interest created by this state or a governmental unit of this state;
- (3) a statute of another state, a foreign country, or a governmental unit of another state or a foreign country, other than a statute generally applicable to security interests, expressly governs creation, perfection, priority, or enforcement of a security interest created by the state, country, or governmental unit; or
- (4) the rights of a transferee beneficiary or nominated person under a letter of credit are independent and superior under K.S.A. 84-5-114, and amendments thereto.

(d) **Inapplicability of article.** This article does not apply to:

- (1) A landlord's lien, other than an agricultural lien;
- (2) a statutory lien, or a lien given by statute or other rule of law for services or materials, but K.S.A. 2014 Supp. 84-9-333, and amendments thereto, applies with respect to priority of the lien;
- (3) an assignment of a claim for wages, salary, or other compensation of an employee;
- (4) a sale of accounts, chattel paper, payment intangibles, or promissory notes as part of a sale of the business out of which they arose;
- (5) an assignment of accounts, chattel paper, payment intangibles, or promissory notes which is for the purpose of collection only;
- (6) an assignment of a right to payment under a contract to an assignee that is also obligated to perform under the contract;
- (7) an assignment of a single account, payment intangible, or promissory note to an assignee in full or partial satisfaction of a preexisting indebtedness;
- (8) a transfer of an interest in or an assignment of a claim under a policy of insurance, other than an assignment by or to a health-care provider of a health-care-insurance receivable and any subsequent assignment of the right to payment, but K.S.A. 2014 Supp. 84-9-315 and 84-9-322, and amendments thereto, apply with respect to proceeds and priorities in proceeds;
- (9) an assignment of a right represented by a judgment, other than a judgment taken on a right to payment that was collateral;
- (10) a right of recoupment or set-off, but:
 - (A) K.S.A. 2014 Supp. 84-9-340, and amendments thereto, applies with respect to the effectiveness of rights of recoupment or set-off against deposit accounts; and
 - (B) K.S.A. 2014 Supp. 84-9-404, and amendments thereto, applies with respect to defenses or claims of an account debtor;
- (11) the creation or transfer of an interest in or lien on real property, including a lease or rents thereunder, except to the extent that provision is made for:
 - (A) Liens on real property in K.S.A. 2014 Supp. 84-9-203 and 84-9-308, and amendments thereto;
 - (B) fixtures in K.S.A. 2014 Supp. 84-9-334, and amendments thereto;
 - (C) fixture filings in K.S.A. 2014 Supp. 84-9-501, 84-9-502, 84-9-512, 84-9-516 and 84-9-519, and amendments thereto; and
 - (D) security agreements covering personal and real property in K.S.A. 2014 Supp. 84-9-604, and amendments thereto;
- (12) an assignment of a claim arising in tort, other than a commercial tort claim, but K.S.A. 2014 Supp. 84-9-315 and 84-9-322, and amendments thereto, apply with respect to proceeds and priorities in proceeds;
- (13) an assignment of a deposit account in a consumer transaction, but K.S.A. 2014 Supp. 84-9-315 and 84-9-322, and amendments thereto, apply with respect to proceeds and priorities in proceeds;
- (14) an assignment of rights in or under:
 - (A) A claim or right to receive benefits under any workers compensation, industrial accident or similar statute or regulation which provides benefits for occupational injury or illness; or
 - (B) a deferred payment or benefit arrangement that enables a participant to exclude or defer recognition of income for purposes of federal or state income taxation; or
- (15) a transfer by a government or governmental agency or subdivision.

History: L. 2000, ch. 142, § 9; L. 2002, ch. 159, § 9; May 23.

Revisor's Note:

Former section 84-9-109 was repealed by L. 2000, ch. 142, § 155 and the number reassigned to the current text.