

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

1 (EMERGENCY)
2 FIRST REGULAR SESSION
3

4 ONE HUNDRED AND THIRTEENTH LEGISLATURE
5

6 Legislative Document

NO. 122

8 H.P. 112 House of Representatives, January 28, 1987
9 Reference to the Committee on Appropriations and
Financial Affairs suggested and ordered printed.

10 EDWIN H. PERT, Clerk
Presented by Representative TARDY of Palmyra.

11 Cosponsored by Representatives LISNIK of Presque Isle and
MAYO of Thomaston.

12
13 STATE OF MAINE
14

15 IN THE YEAR OF OUR LORD
16 NINETEEN HUNDRED AND EIGHTY-SEVEN
17

18 AN ACT to Continue the Central Filing System
19 Established Pursuant to the United States Food
20 Security Act of 1985.
21

22 Emergency preamble. Whereas, Acts of the Legis-
23 lature do not become effective until 90 days after
24 adjournment unless enacted as emergencies; and

25 Whereas, provisions of the United States Food Se-
26 curity Act of 1985, Public Law 99-198, Section 1324,
27 provide for the secretary of state of every state to
28 establish and operate a central filing system for the
29 recording of notices of security interests in farm
30 products; and

31 Whereas, in the absence of such a central state
32 filing system which meets the criteria of the United
33 States Food Security Act of 1985, Public Law 99-198,

1 Section 1324, federal law provides that security in-
2 terests in farm products cannot be protected or ef-
3 fective as to dealers or others in the business of
4 purchasing those products unless lenders give direct
5 notice of their security interests to all such buy-
6 ers; and

7 Whereas, agricultural lenders in Maine have indi-
8 cated their strong preference for a central filing
9 system over direct notice; and

10 Whereas, if Maine fails to continue the central
11 filing system contemplated by this federal law, the
12 availability of farm financing in this State will be
13 jeopardized; and

14 Whereas, the appropriation provided in this Act
15 will allow the Secretary of State to continue to op-
16 erate and implement the required system for security
17 interests in farm products; and

18 Whereas, in the judgment of the Legislature,
19 these facts create an emergency within the meaning of
20 the Constitution of Maine and require the following
21 legislation as immediately necessary for the preser-
22 vation of the public peace, health and safety; now,
23 therefore,

24 Be it enacted by the People of the State of Maine as
25 follows:

26 Sec. 1. 5 MRSA §90, 2nd ¶, as enacted by PL
27 1985, c. 824, §1, is repealed and the following en-
28 acted in its place:

29 Receipt of notice by a registered buyer entitled
30 to receive a master list of notices of filed effec-
31 tive financing statements shall be considered to oc-
32 cur on the date that master list was sent or deliv-
33 ered by the Secretary of State.

34 Sec. 2. 11 MRSA §9-401, sub-§1, ¶(a-1), as en-
35 acted by PL 1985, c. 824, §2, is amended to read:

36 (a-1.) When the collateral is farm products, a
37 filing may be made with the Secretary of State in
38 accordance with procedures adopted under Title 5,

1 section 90. This paragraph is repealed on Febru-
2 ary 17, 1987.

3 Sec. 3. Appropriation. The following funds are
4 appropriated from the General Fund to carry out the
5 purposes of this Act.

6 1986-87

7 SECRETARY OF STATE, DEPARTMENT
8 OF THE

9	All Other	\$15,000
10	Operation of a central	
11	filing system for fi-	
12	nancing statements and	
13	other notices required	
14	to protect security in-	
15	terests.	

16 Emergency clause. In view of the emergency cited
17 in the preamble, this Act shall take effect when ap-
18 proved.

19 STATEMENT OF FACT

20 This bill continues the central filing system for
21 agricultural liens under the United States Food Secu-
22 rity Act of 1985. It clarifies the term "receipt" as
23 used to notify potential buyers of agricultural
24 products and provides the balance of the appropria-
25 tion needed, as estimated by the Bureau of Data Pro-
26 cessing, to complete development of the system.

27 1650010687