

MAINE STATE LEGISLATURE

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(EMERGENCY)
(After Deadline)
FIRST REGULAR SESSION

ONE HUNDRED AND THIRTEENTH LEGISLATURE

Legislative Document

NO. 1860

H.P. 1358 House of Representatives, June 15, 1987
Approved for introduction by a majority of the
Legislative Council pursuant to Joint Rule 27.
Reference to the Committee on Judiciary suggested and
ordered printed.

EDWIN H. PERT, Clerk
Presented by Representative CASHMAN of Old Town.
Cosponsored by Senator PEARSON of Penobscot.

STATE OF MAINE

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

1 **AN ACT to Amend the Uniform Commercial Code**
2 **Regarding Tribal Government.**
3

4 **Emergency preamble.** Whereas, Acts of the Legis-
5 lature do not become effective until 90 days after
6 adjournment unless enacted as emergencies; and

7 Whereas, there is a critical need for the Maine
8 Indian tribes to be able to grant security interest
9 in the property to lenders in order to obtain credit
10 for enterprises owned by the tribes; and

11 Whereas, current law must be clarified to make
12 clear that tribal governments, like other borrowers,
13 can grant security interests in tribal property; and

1 Whereas, an immediate change in Article 9 of the
2 Maine Uniform Commercial Code enabling tribal govern-
3 ments to grant security interests is necessary, so
4 that they may obtain credit and continue the opera-
5 tion of enterprises owned by the tribes; and

6 Whereas, in the judgment of the Legislature,
7 these facts create an emergency within the meaning of
8 the Constitution of Maine and require the following
9 legislation as immediately necessary for the preser-
10 vation of the public peace, health and safety; now,
11 therefore,

12 Be it enacted by the People of the State of Maine as
13 follows:

14 Sec. 1. 11 MRSA §9-104, sub-§5, as reenacted by
15 PL 1977, c. 696, §121, is amended to read:

16 (5) To a transfer by a government or gov-
17 ernmental subdivision or agency other than an Indian
18 tribal government; or

19 **Emergency clause.** In view of the emergency cited
20 in the preamble, this Act shall take effect when ap-
21 proved.

22 STATEMENT OF FACT

23 This bill clarifies that Maine Indian tribes can
24 grant lenders a perfected security interest in per-
25 sonal property under Article 9 of the Maine Uniform
26 Commercial Code in the same manner as other borrow-
27 ers.

28 3355061287