

MAINE STATE LEGISLATURE

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JUDICIARY

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
120TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 826, L.D. 1080, Bill, "An Act to Amend Article 9-A of the Uniform Commercial Code"

Amend the bill by inserting after the enacting clause and before section 1 the following:

'Sec. 1. 11 MRSA §9-1104, sub-§(2), as enacted by PL 1999, c. 699, Pt. A, §2 and affected by §4, is amended to read:

(2) A secured party that has satisfied subsection (a) (1) has control, even if the debtor retains the right to direct the disposition of funds from the deposit account.'

Further amend the bill by inserting after section 3 the following:

'Sec. 4. 11 MRSA §9-1512, sub-§(1), ¶(b), as enacted by PL 1999, c. 699, Pt. A, §2 and affected by §4, is amended to read:

(b) If the amendment relates to an initial financing statement recorded in the county registry of deeds, provides the book and page at which the initial financing statement was recorded and the name of the debtor and secured party.

Sec. 5. 11 MRSA §9-1516, sub-§(2), ¶¶(b) and (c), as enacted by PL 1999, c. 699, Pt. A, §2 and affected by §4, are amended to read:

(b) An amount equal to or greater than the applicable filing fee is not tendered. For a record recorded in the county registry of deeds, the filing office may refuse to

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2 accept the record if the amount tendered is greater than the
3 applicable filing fee;

4 (c) The filing office is unable to index the record
5 because:

6 (i) In the case of an initial financing statement, the
7 record does not provide a name for the debtor or, for a
8 record recorded in the county registry of deeds, the
9 record does not provide a name for the debtor and the
10 secured party;

11 (ii) In the case of an amendment or correction
12 statement, the record:

13 (A) Does not identify the initial financing
14 statement as required by section 9-1512 or 9-1518,
15 as applicable; or

16 (B) Identifies an initial financing statement
17 whose effectiveness has lapsed under section
18 9-1515;

19 (iii) In the case of an initial financing statement
20 that provides the name of a debtor identified as an
21 individual or an amendment that provides a name of a
22 debtor identified as an individual that was not
23 previously provided in the financing statement to which
24 the record relates, the record does not identify the
25 debtor's last name; or

26 (iv) In the case of a record recorded in the county
27 registry of deeds, the record does not provide a
28 sufficient description of the real property to which it
29 relates;'

30 Further amend the bill by striking out all of sections 4, 5
31 and 7 and inserting in their place the following:

32 'Sec. 4. 11 MRSA §9-1518, sub-§(2), ¶(a), as enacted by PL 1999,
33 c. 699, Pt. A, §2 and affected by §4, is amended to read:

34 (a) Identify the record to which it relates by:
35 (i) The file number assigned to the initial financing
36 statement to which the record relates; and

37 (ii) If the correction statement relates to a record
38 recorded in the county registry of deeds, the ~~date-and~~
39 ~~time-that~~ book and page in which the initial financing
40

statement was recorded, the name of the debtor and the secured party and the information specified in section 9-1502, subsection (2);'

Further amend the bill by inserting after section 12 the following:

'Sec. 13. 11 MRSA §9-1702, sub-§(2), as enacted by PL 1999, c. 699, Pt. A, §2 and affected by §4, is amended to read:

(2) Except as otherwise provided in subsection {e} (3) and sections 9-1703 to 9-1709:

(a) Transactions and liens that were not governed by former Article 9, were validly entered into or created before this Article takes effect and would be subject to this Article if they had been entered into or created after this Article takes effect and the rights, duties and interests flowing from those transactions and liens remain valid after this Article takes effect; and

(b) The transactions and liens may be terminated, completed, consummated and enforced as required or permitted by this Article or by the law that otherwise would apply if this Article had not taken effect.'

Further amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

Further amend the bill by inserting at the end before the summary the following:

FISCAL NOTE

This bill amends Title 11, article 9-A of the Maine Revised Statutes to incorporate proposals of the Revised Article 9 Study Group convened by the Secretary of State and adjusts various filing fees within the Department of the Secretary of State. The net fiscal impact on revenues from filing fees to the Bureau of Corporations, Elections and Commissions within the Department of the Secretary of State as a result of these revised filing fees is expected to be zero, with the higher fees for certain types of filing services being offset by lower fees for other types of filing services.

The Bureau of Corporations, Elections and Commissions within the Department of the Secretary of State will incur some minor additional costs to implement the changes in filing processes

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2 associated with this bill. These costs can be absorbed within
the bureau's existing budgeted resources.'

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SUMMARY

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8 This bill provides that an amendment to a Uniform Commercial
Code financing statement that is recorded in a registry of deeds
10 must contain the name of the debtor and the secured party and
eliminates the requirement that a registry of deeds provide the
date and time the record would have been filed had the filing
12 office accepted it. This amendment also corrects incorrect
statutory references. It also adds a fiscal note to the bill.