

Act No. 72
Public Acts of 1996
Approved by the Governor
February 25, 1996
Filed with the Secretary of State
February 26, 1996

**STATE OF MICHIGAN
88TH LEGISLATURE
REGULAR SESSION OF 1996**

Introduced by Rep. Alley

ENROLLED HOUSE BILL No. 5323

AN ACT to amend sections 2A104 and 9302 of Act No. 174 of the Public Acts of 1962, entitled as amended "An act to enact the uniform commercial code, relating to certain commercial transactions in or regarding personal property and contracts and other documents concerning them, including sales, commercial paper, bank deposits and collections, letters of credit, bulk transfers, warehouse receipts, bills of lading, other documents of title, investment securities, leases, and secured transactions, including certain sales of accounts, chattel paper and contract rights; to provide for public notice to third parties in certain circumstances; to regulate procedure, evidence and damages in certain court actions involving such transactions, contracts or documents; to make uniform the law with respect thereto; to make an appropriation; to provide penalties; and to repeal certain acts and parts of acts," section 2A104 as added by Act No. 101 of the Public Acts of 1992 and section 9302 as amended by Act No. 16 of the Public Acts of 1987, being sections 440.2804 and 440.9302 of the Michigan Compiled Laws.

The People of the State of Michigan enact:

Section 1. Sections 2A104 and 9302 of Act No. 174 of the Public Acts of 1962, section 2A104 as added by Act No. 101 of the Public Acts of 1992 and section 9302 as amended by Act No. 16 of the Public Acts of 1987, being sections 440.2804 and 440.9302 of the Michigan Compiled Laws, are amended to read as follows:

Sec. 2A104. (1) A lease, although subject to this article, is also subject to all of the following:

(a) A certificate of title statute of this state, including, but not limited to, part 803 (watercraft transfer and certificate of title) of the natural resources and environmental protection act, Act No. 451 of the Public Acts of 1994, being sections 324.80301 to 324.80322 of the Michigan Compiled Laws; the mobile home commission act, Act No. 96 of the Public Acts of 1987, being sections 125.2301 to 125.2349 of the Michigan Compiled Laws; and chapter II of the Michigan vehicle code, Act No. 300 of the Public Acts of 1949, being sections 257.201 to 257.259 of the Michigan Compiled Laws.

(b) A certificate of title statute of another jurisdiction (section 2A105).

(c) The Michigan consumer protection act, Act No. 331 of the Public Acts of 1976, being sections 445.901 to 445.922 of the Michigan Compiled Laws.

(2) Except for sections 2A105, 2A304(3), and 2A305(3), in case of conflict between this article and a statute referred to in subsection (1), the statute controls.

(3) Failure to comply with any applicable statute has only the effect specified in the statute.

Sec. 9302. (1) A financing statement must be filed to perfect all security interests except the following:

(a) A security interest in collateral in possession of the secured party under section 9305;

(b) A security interest temporarily perfected in instruments or documents without delivery under section 9304 or in proceeds for a 10-day period under section 9306;

(c) A security interest created by an assignment of a beneficial interest in a trust or a decedent's estate;

(d) A purchase money security interest in consumer goods; other than a vehicle, mobile home, or watercraft, for which a certificate of title is required by the laws of this state, and fixture filing is required for priority over conflicting interests in fixtures to the extent provided in section 9313;

(e) An assignment of accounts which does not alone or in conjunction with other assignments to the same assignee transfer a significant part of the outstanding accounts of the assignor;

(f) A security interest of a collecting bank (section 4208) or in securities (section 8321) or arising under the article on sales (see section 9113) or covered in subsection (3) of this section;

(g) An assignment for the benefit of all the creditors of the transferor, and subsequent transfers by the assignee thereunder.

(2) If a secured party assigns a perfected security interest, no filing under this article is required in order to continue the perfected status of the security interest against creditors of and transferees from the original debtor.

(3) The filing of a financing statement otherwise required by this article is not necessary or effective to perfect a security interest in property subject to:

(a) A statute or treaty of the United States which provides for a national or international registration or a national or international certificate of title or which specifies a place of filing different from that specified in this article for filing of the security interest; or

(b) The following statutes of this state: (i) section 216 of the Michigan vehicle code, Act No. 300 of the Public Acts of 1949, being section 257.216 of the Michigan Compiled Laws; (ii) section 80320 of part 803 (watercraft transfer and certificate of title) of the natural resources and environmental protection act, Act No. 451 of the Public Acts of 1994, being section 324.80320 of the Michigan Compiled Laws; and (iii) section 30 of the mobile home commission act, Act No. 96 of the Public Acts of 1987, being section 125.2330 of the Michigan Compiled Laws; but during any period in which collateral is inventory held for sale by a person who is in the business of selling goods of that kind, the filing provisions of this article (part 4) apply to a security interest in that collateral created by that person as debtor; or

(c) A certificate of title statute of another jurisdiction under the law of which indication of a security interest on the certificate is required as a condition of perfection as provided in section 9103(2).

(4) Compliance with a statute or treaty described in subsection (3)(a) or (3)(c), or in the case of subsection (3)(b)(i), compliance with section 217 or 238 of Act No. 300 of the Public Acts of 1949, being sections 257.217 and 257.238 of the Michigan Compiled Laws, or in the case of subsection (3)(b)(ii), compliance with section 80320 of part 803 of Act No. 451 of the Public Acts of 1994, or in the case of subsection (3)(b)(iii), compliance with section 30a or 30d of Act No. 96 of the Public Acts of 1987, being sections 125.2330a and 125.2330d of the Michigan Compiled Laws, is equivalent to the filing of a financing statement under this article, and a security interest in property subject to the statute or treaty can be perfected only by compliance therewith except as provided in section 9103 on multiple state transactions. Duration and renewal of perfection of a security interest perfected by compliance with the statute or treaty are governed by the provisions of the statute or treaty. In other respects the security interest is subject to this article.

This act is ordered to take immediate effect.

Clerk of the House of Representatives.

Secretary of the Senate.

Approved -----

Governor.