

SENATE BILL No. 550

June 4, 2003, Introduced by Senator GARCIA and referred to the Committee on Local, Urban and State Affairs.

A bill to amend 1962 PA 174, entitled "Uniform commercial code," by amending sections 2A104, 9201, and 9311 (MCL 440.2804, 440.9201, and 440.9311), section 2A104 as amended by 1996 PA 72, section 9201 as amended by 2002 PA 480, and section 9311 as amended by 2001 PA 145.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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

3 (a) A certificate of title statute of this state, including,
4 but not limited to, part 803 ~~—(watercraft transfer and~~
5 ~~certificate of title)—~~ of the natural resources and environmental
6 protection act, ~~Act No. 451 of the Public Acts of 1994, being~~
7 ~~sections 324.80301 to 324.80322 of the Michigan Compiled Laws~~
8 1994 PA 451, MCL 324.80301 to 324.80322; the ~~mobile home~~

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1 **manufactured housing** commission act, ~~Act No. 96 of the Public~~
2 ~~Acts of 1987, being sections 125.2301 to 125.2349 of the Michigan~~
3 ~~Compiled Laws~~ **1987 PA 96, MCL 125.2301 to 125.2349**; and chapter
4 II of the Michigan vehicle code, ~~Act No. 300 of the Public Acts~~
5 ~~of 1949, being sections 257.201 to 257.259 of the Michigan~~
6 ~~Compiled Laws~~ **1949 PA 300, MCL 257.201 to 257.259.**

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

9 (c) The Michigan consumer protection act, ~~Act No. 331 of the~~
10 ~~Public Acts of 1976, being sections 445.901 to 445.922 of the~~
11 ~~Michigan Compiled Laws~~ **1976 PA 331, MCL 445.901 to 445.922.**

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

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

17 Sec. 9201. (1) Except as otherwise provided in this act, a
18 security agreement is effective according to its terms between
19 the parties, against purchasers of the collateral, and against
20 creditors.

21 (2) A transaction subject to this article is subject to any
22 applicable rule of law that establishes a different rule for
23 consumers and to each of the following, as applicable:

24 (a) The regulatory loan act of 1963, 1939 PA 21, MCL 493.1 to
25 ~~493.26~~ **493.24.**

26 (b) 1939 PA 305, MCL 566.301 to 566.302.

27 (c) The motor vehicle sales finance act, 1950 (Ex Sess)

1 PA 27, MCL 492.101 to 492.141.

2 (d) The ~~mobile home~~ **manufactured housing** commission act,
3 1987 PA 96, MCL 125.2301 to 125.2349.

4 (e) The Michigan vehicle code, 1949 PA 300, MCL 257.1 to
5 257.923.

6 (f) 1978 PA 387, MCL 257.931 to 257.937.

7 (g) 1986 PA 87, MCL 257.1401 to 257.1410.

8 (h) The grain dealers act, 1939 PA 141, MCL 285.61 to
9 ~~285.82a~~ **285.88**.

10 (i) The Michigan family farm development act, 1982 PA 220,
11 MCL 285.251 to 285.279.

12 (j) The natural resources and environmental protection act,
13 1994 PA 451, MCL 324.101 to 324.90106.

14 (k) 1982 PA 459, MCL 325.851 to 325.858.

15 (l) 1970 PA 90, MCL 442.311 to 442.315.

16 (m) 1971 PA 227, MCL 445.111 to 445.117.

17 (n) The retail installment sales act, 1966 PA 224,
18 MCL 445.851 to 445.873.

19 (o) The Michigan consumer protection act, 1976 PA 331,
20 MCL 445.901 to 445.922.

21 (p) The home improvement finance act, 1965 PA 332, MCL
22 445.1101 to 445.1431.

23 (q) 1941 PA 238, MCL 566.1.

24 (r) The garage keeper's lien act, 1915 PA 312, MCL 570.301 to
25 ~~570.309~~ **570.310**.

26 (s) 1939 PA 3, MCL 460.1 to 460.10cc.

27 (t) 1981 PA 155, MCL 445.611 to 445.620c.

1 (u) The special tools lien act, 2002 PA 481, MCL 570.541 to
2 570.571.

3 (3) In case of conflict between this article and a rule of
4 law, statute, or regulation described in subsection (2), the rule
5 of law, statute, or regulation controls. Failure to comply with
6 a statute or regulation described in subsection (2) has only the
7 effect the statute or regulation specifies.

8 (4) This article does not validate any rate, charge,
9 agreement, or practice that violates a rule of law, statute, or
10 regulation described in subsection (2), or extend the application
11 of the rule of law, statute, or regulation to a transaction not
12 otherwise subject to it.

13 Sec. 9311. (1) Except as otherwise provided in subsection
14 (4), the filing of a financing statement is not necessary or
15 effective to perfect a security interest in property subject to 1
16 or more of the following:

17 (a) A statute, regulation, or treaty of the United States
18 whose requirements for a security interest's obtaining priority
19 over the rights of a lien creditor with respect to the property
20 preempt section 9310(1).

21 (b) The following statutes of this state:

22 (i) Chapter II of the Michigan vehicle code, 1949 PA 300,
23 MCL 257.201 to 257.259.

24 (ii) Part 803 of the natural resources and environmental
25 protection act, 1994 PA 451, MCL 324.80301 to 324.80322.

26 (iii) Part 811 of the natural resources and environmental
27 protection act, 1994 PA 451, MCL 324.81101 to 324.81150.

1 (iv) Sections 30 through 30h of the ~~mobile home~~
2 **manufactured housing** commission act, 1987 PA 96, MCL 125.2330 to
3 125.2330h.

4 (c) A certificate-of-title statute of another jurisdiction
5 which provides for a security interest to be indicated on the
6 certificate as a condition or result of the security interest's
7 obtaining priority over the rights of a lien creditor with
8 respect to the property.

9 (2) Compliance with a statute, regulation, or treaty
10 described in subsection (1) is equivalent to the filing of a
11 financing statement under this article. Except as otherwise
12 provided in subsection (4) and sections 9313 and 9316(4) and (5)
13 for goods covered by a certificate of title, a security interest
14 in property subject to a statute, regulation, or treaty described
15 in subsection (1) may be perfected only by compliance with the
16 statute, regulation, or treaty, and a security interest so
17 perfected remains perfected notwithstanding a change in the use
18 or transfer of possession of the collateral.

19 (3) Except as otherwise provided in subsection (4) and
20 section 9316(4) and (5), duration and renewal of perfection of a
21 security interest perfected by compliance with a statute,
22 regulation, or treaty described in subsection (1) are governed by
23 the statute, regulation, or treaty. In other respects, the
24 security interest is subject to this article.

25 (4) During any period in which collateral subject to a
26 statute specified in subsection (1)(b) is inventory held for sale
27 or lease by a person or leased by that person as lessor and that

