

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 1985.

Approved May 21, 1985.

CHAPTER 390

(House Bill 999)

AN ACT concerning

Notice of Security Interest - Buyer of Farm Products
Auctioneers

~~FOR the purpose of providing that a buyer of farm products takes free of any security interest if the buyer registers with the Secretary of Agriculture for the purpose of receiving notification of certain liens and pays an annual fee to the Secretary and the secured party fails to notify the buyer of farm products of the existence of the lien by mailing a certain written notice, requiring that the written notice of security interests be provided to buyers of farm products by the secured party, in order to insure payment to the secured party, making it the responsibility of the secured party to request a list of registrants from the Secretary on a regular basis in order to receive notice of the purchase of any farm products subject to a lien held by the secured party, defining a certain term, requiring the written notice of security interests to contain certain information, providing that a buyer of farm products, who receives the written notice of security interests and makes proper payment to the seller and to any secured parties listed in the written notice, is protected from claims by any secured party not listed, and generally relating to security interests in the purchase of farm products.~~

FOR the purpose of providing that a person who, without acquiring an interest in farm products, performs auction services for a seller of farm products may not be liable to the holder of a security interest in the farm products solely by reason of having performed the auction services, even though the security interest is perfected and the person performing the auction services knows of the perfection; and generally relating to the taking of goods free of security interests under the Commercial Law Article.

BY repealing and reenacting, with amendments,

Article - Commercial Law
Section 9-307