

CHAPTER 418

(House Bill 151)

AN ACT concerning

Liens on Personal Property

FOR the purpose of providing that a certain boat lien is subordinate to a specific type of mortgage; providing that a certain boat lien is subordinate to a perfected security interest under certain circumstances; providing an exception; providing that, before a public sale of personal property to which a certain lien attaches, the lienor shall notify holders of perfected security interests in the personal property; clarifying that, before a public sale of a motor vehicle to which a certain lien attaches, the lienor shall notify the Motor Vehicle Administration as well as all holders of perfected security interests; requiring the Department of Natural Resources to issue a title free and clear of any lien; defining a certain term; and generally relating to priorities and notices of certain liens on personal property.

BY repealing and reenacting, with amendments,

Article - Commercial Law  
Section 16-205 and 16-207  
Annotated Code of Maryland  
(1983 Replacement Volume and 1985 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article - Commercial Law

16-205.

(a) An aircraft lien is subordinate only to the rights of the holder of any of the following instruments relating to the aircraft, executed and recorded with the Federal Aviation Administration before the time the lien becomes effective:

- (1) Bill of sale;
- (2) Contract of conditional sale;
- (3) Conveyance; or
- (4) Mortgage or assignment of mortgage.

(b) A [boat lien or] motor vehicle lien is subordinate only to a security interest perfected as required by law, except in