12–502. GOVERNING LAW.

(A) DEFAULT SALES LAW TO APPLY.

EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, THE LAW GOVERNING THE SALE OF COLLATERAL SECURING AN OBLIGATION IN DEFAULT GOVERNS A LIENHOLDER'S REPOSSESSION AND SALE OF PROPERTY THAT HAS BEEN SEIZED UNDER THIS TITLE.

(B) POSSESSION BEFORE SALE NOT REQUIRED.

A LIENHOLDER MAY NOT BE REQUIRED TO TAKE POSSESSION OF THE PROPERTY BEFORE THE SALE OF THE PROPERTY.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 27, § 297(r)(3) and (4)(i).

In subsection (a) of this section, the reference to "the law governing the sale of collateral" is substituted for the former reference to the "rights and duties provided under law to the lienholder for the sale of collateral" for brevity.

Also in subsection (a) of this section, the reference to property "that has been seized under this title" is added for clarity.

Defined terms: "Lienholder" § 12–101
"Property" § 12–101

12–503. PROCEEDS OF SALE.

(A) SEIZING AUTHORITY TO BE PAID OWNER'S PROCEEDS.

ANY PART OF THE PROCEEDS FROM A SALE OF PROPERTY THAT HAS BEEN SEIZED UNDER THIS TITLE THAT WOULD BE PAID TO AN OWNER OF THE PROPERTY UNDER THE APPLICABLE LAW RELATING TO DISTRIBUTION OF PROCEEDS:

(1) SHALL BE PAID TO THE SEIZING AUTHORITY; AND

(2) SHALL BE PROPERTY SUBJECT TO FORFEITURE.

(B) RETURN OF PROCEEDS TO OWNER.

IF AN ORDER OF FORFEITURE IS NOT ENTERED, THE STATE SHALL RETURN TO THE OWNER THAT PART OF THE PROCEEDS AND ANY COSTS OF THE FORFEITURE PROCEEDINGS PAID FROM THE PROCEEDS OF THE SALE.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 27, § 297(r)(4)(iii).

In the introductory language of subsection (a) of this section, the reference to proceeds "from a sale of property that has been seized under this title" is added for clarity.

In subsection (a)(1) of this section, the reference to the defined term "seizing authority" is substituted for the former reference to the "seizing