

Act No. 288  
Public Acts of 1990  
Approved by the Governor  
December 13, 1990  
Filed with the Secretary of State  
December 14, 1990

**STATE OF MICHIGAN  
85TH LEGISLATURE  
REGULAR SESSION OF 1990**

Introduced by Rep. Bennett

# **ENROLLED HOUSE BILL No. 5762**

AN ACT to amend section 9401 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, 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," as amended by Act No. 53 of the Public Acts of 1980, being section 440.9401 of the Michigan Compiled Laws.

*The People of the State of Michigan enact:*

Section 1. Section 9401 of Act No. 174 of the Public Acts of 1962, as amended by Act No. 53 of the Public Acts of 1980, being section 440.9401 of the Michigan Compiled Laws, is amended to read as follows:

Sec. 9401. (1) The proper place to file in order to perfect a security interest is as follows:

(a) When the collateral is equipment used in farming operations, or farm products, or accounts or general intangibles arising from or relating to the sale of farm products by a farmer, or consumer goods, then in the office of the register of deeds in the county of the debtor's residence, or if the debtor is not a resident of this state, then in the office of the register of deeds in the county where the goods are kept, and, in addition, when the collateral is crops, growing or to be grown, in the office of the register of deeds in the county where the land is located, but shall not be recorded in the real estate records of the county.

(b) When the collateral is timber to be cut or is minerals or the like (including oil and gas), or accounts subject to section 9103(5), or when the financing statement is filed as a fixture filing under section 9313 and the collateral is goods which are or are to become fixtures, then in the office where a mortgage on the real estate would be filed or recorded.

(c) In all other cases, in the office of the secretary of state.

(2) A filing which is made in good faith in an improper place or not in all of the places required by this section is nevertheless effective with regard to any collateral as to which the filing complied with the requirements of this article and is also effective with regard to collateral covered by the financing statement against any person who has knowledge of the contents of such financing statement.

(3) A filing which is made in the proper place in this state continues effective even though the debtor's residence or place of business or the location of the collateral or its use, whichever controlled the original filing, is thereafter changed.

(4) The rules stated in section 9103 determine whether filing is necessary in this state.

(5) Notwithstanding the preceding subsections, and subject to section 9302(3), the proper place to file in order to perfect a security interest in collateral, including fixtures, of a transmitting utility is the office of the secretary of state. This filing constitutes a fixture filing (section 9313) as to the collateral described therein which is or is to become fixtures.

(6) For the purposes of this section, the residence of an organization is its place of business if it has one or its chief executive office if it has more than 1 place of business.

This act is ordered to take immediate effect.

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Clerk of the House of Representatives.

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Secretary of the Senate.

Approved.....

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Governor.