

Adopted	Rejected
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# COMMITTEE REPORT

<b>YES:</b>	<b>11</b>
<b>NO:</b>	<b>0</b>

## MR. SPEAKER:

*Your Committee on Financial Institutions, to which was referred House Bill 1782, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1 Delete the amendment adopted by the House Financial Institutions
- 2 committee on February 17, 1999.
- 3 Page 1, line 4, delete ":".
- 4 Page 1, delete lines 5 through 7.
- 5 Page 1, line 8, delete "(B)".
- 6 Page 1, line 8, delete ", as provided by subsection (h) or (i) or".
- 7 Page 1, line 9, delete "otherwise,".
- 8 Page 1, run in lines 4 through 9.
- 9 Page 2, line 20, delete "(j)" and insert "(h)".
- 10 Page 2, line 27, delete ":".
- 11 Page 2, delete lines 28 through 30.
- 12 Page 2, line 31, delete "(ii)".
- 13 Page 2, line 31, delete ", as provided by subsection (h) or (i) or".
- 14 Page 2, run in lines 27 through 31.

1 Page 2, line 32, delete "otherwise,".

2 Page 2, delete lines 33 through 34.

3 Page 3, line 21, delete "When a licensee issues a receipt for grain  
4 stored by the" and insert "If:

5 (1) a claimant engaged in farming operations granted to one  
6 (1) or more secured parties one (1) or more security interests  
7 in the grain related to the claimant's claim under this section;  
8 and

9 (2) one (1) or more secured parties described in subdivision  
10 (1) have given to:

11 (A) the licensee prior written notice of the security interest  
12 under IC 26-1-9-307(1)(a); and

13 (B) the director prior written notice of the security interest  
14 with respect to the grain described in subdivision (1)  
15 sufficient to give the director a reasonable opportunity to  
16 cause the issuance of a joint check under this subsection;

17 the director shall pay the claimant described in subdivision (1) the  
18 portion of the proceeds of grain assets under subsection (e) to  
19 which the claimant is entitled under this section by issuance of a  
20 check payable jointly to the order of the claimant and any secured  
21 party described in subdivision (1) who has given the notices  
22 described in subdivision (2). If only one (1) secured party described  
23 in subdivision (1) is a payee, the rights of the secured party in the  
24 check shall be to the extent of the indebtedness of the claimant to  
25 the secured party. If two (2) or more secured parties described in  
26 subdivision (1) are payees, the nature, extent, and priority of their  
27 respective rights in the check are determined in the same manner  
28 as the nature, extent, and priority of their respective security  
29 interest under IC 26-1-9."

30 Page 3, delete lines 22 through 42.

31 Page 4, delete lines 1 through 15.

32 Page 4, line 25, delete "The manner of compensation for a claimant  
33 who has" and insert "If:

34 (1) a claimant engaged in farming operations granted to one  
35 (1) or more secured parties one (1) or more security interests  
36 in the grain related to the claimant's claim under this section;  
37 and

38 (2) one (1) or more secured parties described in subdivision

1           **(1) have given to:**  
2           **(A) the licensee prior written notice of the security interest**  
3           **under IC 26-1-9-307(1)(a); and**  
4           **(B) the board prior written notice of the security interest**  
5           **with respect to the grain described in subdivision (1)**  
6           **sufficient to give the board a reasonable opportunity to**  
7           **cause the issuance of a joint check under this subsection;**  
8           **the board may compensate the claimant described in subdivision**  
9           **(1) in the amount to which the claimant is entitled under section 4**  
10           **of this chapter by causing the issuance of a check payable jointly**  
11           **to the order of the claimant and any secured party described in**  
12           **subdivision (1) who has given the notices described in subdivision**  
13           **(2). If only one (1) secured party described in subdivision (1) is a**  
14           **payee, the rights of the secured party in the check shall be to the**  
15           **extent of the indebtedness of the claimant to the secured party. If**  
16           **two (2) or more secured parties described in subdivision (1) are**  
17           **payees, the nature, extent, and priority of their respective rights in**  
18           **the check are determined in the same manner as the nature, extent,**  
19           **and priority of their respective security interest under IC 26-1-9."**

(Reference is to HB 2027 as introduced and as amended by the House Committee on Financial Institutions on February 17, 1999.)

**and when so amended that said bill do pass.**

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Representative Bodiker