

SENATE BILL NO. 2279

Introduced by

Senator Tallackson

Representative Wald

1 A BILL for an Act to amend and reenact section 35-20-16 and subsection 3 of section 41-09-46
2 of the North Dakota Century Code, relating to entering liens for unpaid earned property or
3 casualty insurance premiums in the central notice system.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1. AMENDMENT.** Section 35-20-16 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **35-20-16. Procedure to obtain unpaid earned property or casualty insurance**
8 **premium lien - Filing.** The secretary of state shall prescribe a form that can be used to obtain
9 a lien under this section and also be entered in the central notice system. Any person entitled
10 to an unpaid earned property or casualty insurance premium lien, within ninety days after
11 termination of coverage, shall file in the office of the register of deeds of the county or counties
12 in which the property covered by the policy is located and with any loss payee named in the
13 policy, a verified statement in writing stating all of the following:

- 14 1. The name of the policyholder.
- 15 2. The nature and quantity of insurance coverage provided.
- 16 3. The amount of unpaid earned premium.
- 17 4. A description of the property covered by the insurance and subject to the lien.
- 18 5. That a lien is claimed upon the property described.

19 **SECTION 2. AMENDMENT.** Subsection 3 of section 41-09-46 of the 1995 Supplement
20 to the North Dakota Century Code is amended and reenacted as follows:

- 21 3. The secretary of state shall develop and implement a computerized central notice
22 system which must contain the information filed with the office of the secretary of
23 state or with any of the offices of the registers of deeds in this state pursuant to
24 sections 35-17-04, 35-20-16, 35-30-02, 35-31-02, and 41-09-40. The system must

1 connect each ~~registers~~ register of deeds' office to the secretary of state's office
2 through the information services division. The system must allow access to
3 financing statement information by equipment that conforms to requirements
4 determined by the information services division. The system must have
5 safeguards to allow access to information that is in the system relating to security
6 interests or liens and to prevent unauthorized alteration or deletion of that
7 information and to allow access to other information in the system as prescribed by
8 the secretary of state. Within one working day of receipt of a financing statement,
9 continuation statement, amendment, or termination statement filed pursuant to this
10 chapter or a statement filed pursuant to section 35-17-04, 35-20-16, 35-30-02, or
11 35-31-02, the register of deeds or secretary of state shall record the information
12 contained in the statement in the computerized central notice system. A computer
13 printout of information from the system is prima facie evidence of the existence or
14 nonexistence of the filing of a financing statement or lien. From the computerized
15 central notice system, the secretary of state or a designee shall produce each
16 month one list for crops and one list for livestock which contain the information as
17 filed on the forms pursuant to section 41-09-40. The secretary of state shall also
18 include the information filed for crops and livestock pursuant to sections 35-17-04,
19 35-30-02, and 35-31-02. The list must be in alphabetical order according to the
20 last name of, or in numerical order according to the social security number of, the
21 person engaged in farming operations. The lists may be prepared in categories
22 according to county, regions as designated by the secretary of state, or on a
23 statewide basis. If requested, the lists must be in printed form and on microfiche.
24 Each list must conspicuously note its effective date.