

Introduced by

Senators Thompson, Traynor

Representatives D. Johnson, Nichols

1 A BILL for an Act to amend and reenact sections 35-30-01, 35-30-02, 35-31-01, and 35-31-02
2 of the North Dakota Century Code, relating to the filing of agricultural processor's liens and
3 agricultural supplier's liens.

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

5 **SECTION 1. AMENDMENT.** Section 35-30-01 of the 1995 Supplement to the North
6 Dakota Century Code is amended and reenacted as follows:

7 **35-30-01. Agricultural processor's lien authorized.** Any person who processes any
8 crop or agricultural product is entitled to a lien upon the crop or product processed for the
9 reasonable value of the services performed. A lien taken pursuant to this section upon anything
10 other than the crop or product processed is void. As used in this chapter, the term "processor"
11 includes persons threshing, combining, drying, or harvesting any crop or agricultural product.
12 The agricultural processor's lien is effective from the date the processing is completed. An
13 agricultural processor's lien filed as a security interest created by contract to secure money
14 advanced or loaned for any purpose is not effective to secure a priority over liens filed under
15 section 35-05-01.

16 **SECTION 2. AMENDMENT.** Section 35-30-02 of the 1995 Supplement to the North
17 Dakota Century Code is amended and reenacted as follows:

18 **35-30-02. Procedure to obtain lien.** To obtain an agricultural processor's lien, the
19 person entitled to the lien, within ninety days after the processing is completed, shall file a
20 verified statement in the office of the register of deeds in any county in this state or in the office
21 of the secretary of state. The statement must contain the following information:

- 22 1. The name and address of the person for whom the processing was done.
23 2. The name and address of the processor.

- 1 3. A description of the crops or agricultural products and their amount, if known,
2 subject to the lien together with the legal description as to the location where the
3 crops or agricultural products were grown and the year the crop is to be harvested
4 or was harvested.
- 5 4. The price agreed upon for processing, or if no price was agreed upon, the
6 reasonable value of the processing.
- 7 5. The social security number or, in the case of a debtor doing business other than as
8 an individual, the internal revenue service taxpayer identification number of the
9 person for whom the processing was done.
- 10 6. In order for an agricultural processor's lien to be effective and take priority over
11 section 35-05-01 security interests, the person filing the processor's lien must,
12 within ten days after it is filed, give notice of the filing and provide a copy of the
13 verified statement to any person or firm that has filed a section 35-05-01 security
14 interest or lien against the same growing crops, harvested or to be harvested,
15 during that same year, and to the person to whom the processing services were
16 furnished. This notice must be given in person or by certified mail with return
17 receipt.

18 The secretary of state shall prescribe one form that can be used to obtain a lien under this
19 section or gain protection under the central notice system, or both.

20 **SECTION 3. AMENDMENT.** Section 35-31-01 of the North Dakota Century Code is
21 amended and reenacted as follows:

22 **35-31-01. Agricultural supplier's lien authorized.** Any person who furnishes
23 supplies used in the production of crops, agricultural products, or livestock is entitled to a lien
24 upon the crops, products produced by the use of the supplies, and livestock and their products
25 including milk. As used in this chapter, the term "supplies" includes seed, petroleum products,
26 fertilizer, farm chemicals, insecticide, feed, hay, pasturage, veterinary services, or the furnishing
27 of services in delivering or applying the supplies. The agricultural supplier's lien is effective
28 from the date the supplies are furnished or the services performed. An agricultural supplier's
29 lien filed as a security interest created by contract to secure money advanced or loaned for any
30 purposes is not effective to secure a priority over liens filed under section 35-05-01.

1 **SECTION 4. AMENDMENT.** Section 35-31-02 of the 1995 Supplement to the North
2 Dakota Century Code is amended and reenacted as follows:

3 **35-31-02. Procedure to obtain lien.** To obtain an agricultural supplier's lien, ~~except~~
4 ~~an agricultural supplier's lien for furnishing petroleum products,~~ the person entitled to the lien,
5 within ~~one hundred twenty~~ ninety days after the supplies are furnished or the services
6 performed, shall file a verified statement in the office of the register of deeds of any county in
7 this state or in the office of the secretary of state. ~~To obtain an agricultural supplier's lien for~~
8 ~~furnishing and delivering petroleum products, the person entitled to the lien, within one hundred~~
9 ~~eighty days after the petroleum products are furnished or delivered, shall file a verified~~
10 ~~statement in the office of the register of deeds of any county in the state or in the office of the~~
11 ~~secretary of state.~~ The statement must contain the following information:

- 12 1. The name and address of the person to whom the supplies were furnished.
- 13 2. The name and address of the supplier.
- 14 3. A description of the crops, agricultural products, or livestock and their amount or
15 number, if known, subject to the lien together with the legal description as to the
16 location of the crops, agricultural products, or livestock and the year the crop is to
17 be harvested or was harvested.
- 18 4. A description and value of the supplies furnished.
- 19 5. The social security number or, in the case of a debtor doing business other than as
20 an individual, the internal revenue service taxpayer identification number of the
21 person to whom the supplies were furnished.
- 22 6. In order for an agricultural supplier's lien to be effective and take priority over
23 section 35-05-01 security interests, the person filing the supplier's lien must, within
24 ten days after it is filed, give notice of the filing and provide a copy of the verified
25 statement to any person or firm that has filed a section 35-05-01 security interest or
26 lien against the same growing crops, harvested or to be harvested, during that
27 same year, and to the person to whom the supplies or services were furnished.
28 This notice must be given in person or by certified mail with return receipt.

29 The secretary of state shall prescribe one form that can be used to obtain a lien under this
30 section or gain protection under the central notice system, or both.