

**FIRST ENGROSSMENT
with Senate Amendments
ENGROSSED HOUSE BILL NO. 1251**

Introduced by

Representatives Keiser, Belter, J. Kelsh, Nathe, Vigesaa

Senators Cook, Klein, Wanzek, Dotzenrod

1 A BILL for an Act to amend and reenact sections 35-13-01 and 35-13-04 of the North Dakota
2 Century Code, relating to repairman's liens.

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

4 **SECTION 1. AMENDMENT.** Section 35-13-01 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **35-13-01. Repairman's lien authorized.**

7 Any blacksmith, machinist, farm equipment dealer, construction equipment dealer, welder,
8 garage keeper, mechanic, or aviation operator, having an established place of business ~~within~~
9 this state who makes, alters, or repairs any automobile, truck, engine, combine, tractor, farm
10 equipment, construction equipment, well machine, aircraft, or watercraft at the request of the
11 owner or legal possessor of the property has a lien ~~thereon~~ on that property, and on any
12 accessories and parts placed upon the property, for reasonable charges for work done and
13 materials furnished, until the charges are paid. If the cost of repair would exceed ~~one~~four
14 thousand dollars or ~~twenty-five~~thirty percent or, ~~twonine~~ thousand five hundred dollars or
15 ~~twenty-five~~thirty percent for property used for agricultural or construction purposes, of the value
16 of the property, in ~~its~~ the property's repaired condition, whichever is greater, and the repairman
17 intends to have the entire repair bill constitute a lien with priority over the mortgage or financing
18 statement of record, the repairman shall give notice by registered or certified mail to the
19 recordholder of the mortgage or financing statement of the proposed repair, the estimated cost
20 of repair, and the estimated value of the property in its repaired condition.

21 **SECTION 2. AMENDMENT.** Section 35-13-04 of the North Dakota Century Code is
22 amended and reenacted as follows:

1 **35-13-04. Priority of lien.**

2 A lien obtained under this chapter has priority over all other liens, chattel mortgages, or
3 encumbrances against the personal property upon which the lien is secured, but if the
4 repairman has failed to notify the recordholder of the mortgage or financing statement as
5 provided in section 35-13-01, or if such notice was given and the holder of the mortgage or
6 financing statement, within five days after receiving such notice, communicated in writing to the
7 repairman an objection to all the proposed repair costs becoming a lien against the property
8 with priority over the mortgage or financing statement, then only that portion of the repairman's
9 lien up to ~~one~~four thousand dollars or ~~twenty-five~~thirty percent, or ~~two~~nine thousand ~~five~~
10 ~~hundred~~ dollars or ~~twenty-five~~thirty percent for property used for agricultural or construction
11 purposes, of the retail value, whichever is greater, in ~~its~~the property's repaired condition, has
12 priority over the mortgage or financing statement.