

HOUSE BILL NO. 1220

Introduced by

Representative Keiser

Senator Kreun

1 A BILL for an Act to amend and reenact section 35-31-03 of the North Dakota Century Code,
2 relating to priority of agricultural supplier liens; and to provide for application.

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

4 **SECTION 1. AMENDMENT.** Section 35-31-03 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **35-31-03. Priority.**

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8 1. Except as provided under subsection 2, an agricultural supplier's lien obtained under
9 the provisions of this chapter has priority, as to the crops or agricultural products
10 covered thereby by the lien, over all other liens or encumbrances, except any
11 agricultural processor's lien.

12 2. An agricultural supplier's lien exceeding fifty thousand dollars has priority under
13 subsection 1 if:

14 a. The agricultural supplier sends an authenticated notification to the holder of a
15 conflicting security interest of record which states the agricultural supplier may
16 acquire an agricultural supplier's lien in the crops, agricultural products, or the
17 livestock of the debtor in an amount that exceeds fifty thousand dollars; and

18 b. The holder of the conflicting security interest receives the notification no later
19 than twenty days after the date the agricultural supplies were furnished or
20 services performed.

21 **SECTION 2. APPLICATION.** This Act applies to agricultural supplier's liens filed on and
22 after the effective date of this Act.