

PROPOSED AMENDMENTS TO SENATE BILL NO. 2218

Page 1, line 1, replace "section" with "sections 35-05-01 and"

Page 1, after line 4, insert:

"SECTION 1. AMENDMENT. Section 35-05-01 of the 1995 Supplement to the North Dakota Century Code is amended and reenacted as follows:

35-05-01. Security agreement on crops prohibited - Exceptions. Security interests in growing and unharvested crops are prohibited, and any security agreement purporting to create a security interest therein is void. The provisions of this section do not apply to any security interest or lien in favor of the United States, this state, any county, or any department or agency of any of them, including the Bank of North Dakota, nor to any financial institution as defined by section 6-01-02 or 21-04-01, nor to any ~~other~~ agricultural cooperative or agricultural lending agency, nor to any security interest created by contract to secure money advanced or loaned for the purpose of paying government crop insurance premiums or to secure the purchase price or the rental or improvement of the land upon which the crops covered by the contract are to be grown."

Page 1, line 18, after the underscored quotation mark insert "The lien on future crops maintains its priority as to crops grown in future years only so long as the lienholder continues to provide operating funds to the borrower. If, in any subsequent year, another entity entitled to a crop security interest under section 35-05-01 advances operating funds to a borrower, the entity has a first priority purchase money security interest in the crops grown by the borrower during the year in which the funds are advanced"

Renumber accordingly