

Sixtieth
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1338

Introduced by

Representatives DeKrey, Mueller, Uglem

Senators Erbele, Taylor

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

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

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

6 **35-30-01. Agricultural processor's lien authorized.** Any person who processes any
7 crop or agricultural product is entitled to a lien upon the crop or product processed for the
8 reasonable value of the services performed. A lien taken pursuant to this section upon
9 anything other than the crop or product processed is void. As used in this chapter, the term
10 "processor" includes persons threshing, combining, drying, or harvesting any crop or
11 agricultural product. ~~The~~ Except as otherwise provided in this section, the agricultural
12 processor's lien is effective from the date the processing is completed. An agricultural
13 processor's lien filed as a security interest created by contract to secure money advanced or
14 loaned for any purpose is not effective to secure a priority over liens filed under section
15 35-05-01. This chapter does not limit the sale, assignment, or transfer of an agricultural
16 processor's lien. However, the priority of an effective agricultural processor's lien is not
17 transferable. After sale, assignment, or transfer, the priority of an effective agricultural
18 processor's lien is to be determined as of the date the lien was filed and in accordance with
19 section 41-09-33.

20 **SECTION 2. 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

1 including milk. As used in this chapter, the term "supplies" includes seed, petroleum products,
2 fertilizer, farm chemicals, insecticide, feed, hay, pasturage, veterinary services, or the
3 furnishing of services in delivering or applying the supplies. ~~An~~ Except as otherwise provided
4 in this section, an agricultural supplier's lien filed in accordance with section 35-31-02 is
5 effective from the date the supplies are furnished or the services performed. An agricultural
6 supplier's lien filed as a security interest created by contract to secure money advanced or
7 loaned for any purposes is not effective to secure a priority over liens filed under section
8 35-05-01. This chapter does not limit the sale, assignment, or transfer of an agricultural
9 supplier's lien. However, the priority of an effective agricultural supplier's lien is not transferable
10 from the original lienholder. After sale, assignment, or transfer, the priority of an effective
11 agricultural supplier's lien is to be determined as of the date the lien was filed and in
12 accordance with section 41-09-33.