Sixty-first Legislative Assembly of North Dakota

HOUSE BILL NO.

Introduced by

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Representative Delzer

- 1 A BILL for an Act to amend and reenact section 35-31-01 of the North Dakota Century Code,
- 2 relating to the applicability of agricultural supplier liens.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 35-31-01 of the North Dakota Century Code is amended and reenacted as follows:

35-31-01. Agricultural supplier's lien authorized. Any

- 1. a. Except as provided in this subsection, a person who furnishes supplies used in the production of crops, agricultural products, or livestock is entitled to a lien upon the crops, products produced by the use of the supplies, and livestock and their products including milk.
 - b. If a tenant, in accordance with the terms of a crop-share lease, is the party to whom supplies are furnished and if the tenant, in accordance with the terms of a crop-share lease, is the party responsible for paying the supplier, the supplier is not entitled to a lien on any crops identified in the crop-share lease as belonging to the landowner.
- 2. As used in this chapter, the term "supplies" includes seed, petroleum products, fertilizer, farm chemicals, insecticide, feed, hay, pasturage, veterinary services, or the furnishing of services in delivering or applying the supplies.
- 3. Except as otherwise provided in this section, an agricultural supplier's lien filed in accordance with section 35-31-02 is effective from the date the supplies are furnished or the services performed. An agricultural supplier's lien filed as a security interest created by contract to secure money advanced or loaned for any purposes is not effective to secure a priority over liens filed under section 35-05-01.

Sixty-first Legislative Assembly

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<u>4.</u>	This chapter does not limit the sale, assignment, or transfer of an agricultural
	supplier's lien. However, the priority of an effective agricultural supplier's lien is not
	transferable from the original lienholder. After sale, assignment, or transfer, the
	priority of an effective agricultural supplier's lien is to be determined as of the date
	the lien was filed and in accordance with section 41-09-33.