

LIENS

CHAPTER 271

SENATE BILL NO. 2249
(Wenstrom)

SECURITY INTERESTS IN MOTOR VEHICLES

AN ACT to amend and reenact section 35-01-05.1 of the North Dakota Century Code, relating to security interests in motor vehicles.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT.) Section 35-01-05.1 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

35-01-05.1. WHEN SECURITY INTEREST IN VEHICLE VALID.) No security interest in a vehicle which is not inventory held for sale shall be valid as against subsequent purchasers and encumbrances of the property in good faith and for value unless the security interest is clearly indicated upon the certificate of title to the vehicle or unless such certificate of title is in the possession of the secured party. The term "vehicle" as used in this section includes any vehicle for which a certificate of title is required under title 39 or other statutes of this state.

Approved March 11, 1973

CHAPTER 272

SENATE BILL NO. 2386
(Redlin, Nasset, J. Schultz)

CROP LIENS

AN ACT to amend and reenact section 35-05-01 of the North Dakota Century Code, relating to security interests in growing and unharvested crops.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT.) Section 35-05-01 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

35-05-01. SECURITY AGREEMENT PROHIBITED - EXCEPTION.) Security interests in growing and unharvested crops are prohibited, and any security agreement purporting to create a security interest therein shall be void. The provisions of this section shall 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 banking institution as defined by section 6-01-02, nor to any other 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.

Approved March 28, 1973

CHAPTER 273

HOUSE BILL NO. 1233
(Atkinson, Thorsgard)

ENTITLEMENT TO MECHANIC'S LIEN

AN ACT to amend and reenact section 35-27-02 of the North Dakota Century Code, relating to mechanic's lien.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT.) Section 35-27-02 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

35-27-02. WHO ENTITLED TO MECHANIC'S LIEN.) Any person who improves real estate by the contribution of labor, skill, or materials, whether under contract with the owner of such real estate, or at the instance of any agent, trustee, contractor or sub-contractor of such owner, shall have a lien upon the improvement, and upon the land on which it is situated or to which it may be removed, for the price or value of such contribution. Provided, however, that the amount of the lien shall only be for the difference between the price paid by the owner and the price or value of the contribution. If the owner has paid the full price or value of the contribution, no lien shall be allowed.

Approved March 8, 1973

CHAPTER 274

HOUSE BILL NO. 1122
(Strinden)

TIME TO ENFORCE MECHANIC'S LIEN

AN ACT to amend and reenact section 35-27-25 of the North Dakota Century Code, relating to the length of time suit can be commenced to enforce a mechanic's lien.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT.) Section 35-27-25 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

35-27-25. REQUIRING SUIT TO BE COMMENCED - DEMAND - LIMITATIONS OF ACTION.) Upon written demand of the owner, his agent, or contractor, served on the person holding the lien, suit shall be commenced within thirty days thereafter if the debt for which the lien is security is due, and if not due, within thirty days after the same becomes due, or the lien shall be forfeited. No lien shall be valid or effective as such, nor shall the same be enforced in any case, and the clerk of the district court shall cancel any such lien of record, unless the holder thereof shall assert the same either by complaint or answer within three years after the date of the last item of his claim as set forth in the recorded lien account, or within three years after it becomes due, if the lien account shows that it is not then due. If a summons and complaint or answer asserting the validity of the lien is not filed in the office of the clerk of court in which the lien is filed within the limitation herein provided, the clerk of court, upon request of any interested person, shall cancel the lien of record.

Approved March 3, 1973