

**FIRST ENGROSSMENT  
with House Amendments**Fifty-fifth  
Legislative Assembly  
of North Dakota**ENGROSSED SENATE BILL NO. 2272**

Introduced by

Senators Solberg, Kinnoin, Sand

Representatives Aarsvold, D. Johnson, Nelson

1 A BILL for an Act to amend and reenact sections 35-17-08, 35-30-06, 35-31-06, and  
2 subsection 1 of section 41-09-43 of the North Dakota Century Code, relating to termination of  
3 statutory liens filed under the central notice system; and to provide a penalty.

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

5 **SECTION 1. AMENDMENT.** Section 35-17-08 of the 1995 Supplement to the North  
6 Dakota Century Code is amended and reenacted as follows:

7 **35-17-08. Fees - Penalty.** The fee for filing an agister's lien with the secretary of state  
8 or the county register of deeds is five dollars. The fee for filing a termination statement is five  
9 dollars. The termination fee must be paid at the time the fee for filing the lien is paid. The fee  
10 for filing an amendment or assignment of an agister's lien is five dollars. If a lienholder fails to  
11 file a termination statement within sixty days after the lien is satisfied, the lienholder is liable to  
12 the debtor for one hundred dollars.

13 **SECTION 2. AMENDMENT.** Section 35-30-06 of the 1995 Supplement to the North  
14 Dakota Century Code is amended and reenacted as follows:

15 **35-30-06. Fees - Penalty.** The fee for filing an agricultural processor's lien with the  
16 secretary of state or the county register of deeds is five dollars. The fee for filing a termination  
17 statement is five dollars. The termination fee must be paid at the time the fee for filing the lien  
18 is paid. The fee for filing an amendment or assignment of an agricultural processor's lien is five  
19 dollars. If a lienholder fails to file a termination statement within sixty days after the lien has  
20 been satisfied, the lienholder is liable to the debtor for one hundred dollars.

21 **SECTION 3. AMENDMENT.** Section 35-31-06 of the 1995 Supplement to the North  
22 Dakota Century Code is amended and reenacted as follows:

23 **35-31-06. Fees - Penalty.** The fee for filing an agricultural supplier's lien with the  
24 secretary of state or the county register of deeds is five dollars. The fee for filing a termination

1 statement is five dollars. The termination fee must be paid at the time the fee for filing the lien  
2 is paid. The fee for filing an amendment or assignment of an agricultural supplier's lien is five  
3 dollars. If a lienholder fails to file a termination statement within sixty days after the lien has  
4 been satisfied, the lienholder is liable to the debtor for one hundred dollars.

5 **SECTION 4. AMENDMENT.** Subsection 1 of section 41-09-43 of the 1995  
6 Supplement to the North Dakota Century Code is amended and reenacted as follows:

7 1. If a financing statement covering consumer goods is filed on or after January 1,  
8 1974, then within one month or within ten days following written demand by the  
9 debtor after there is no outstanding secured obligation and no commitment to  
10 make advances, incur obligations or otherwise give value, the secured party must  
11 file with each filing officer with whom the financing statement was filed, a  
12 termination statement to the effect that the secured party no longer claims a  
13 security interest under the financing statement, which shall be identified by file  
14 number. In other cases where there is no outstanding secured obligation and no  
15 written commitment between the secured party and the debtor to make advances,  
16 incur obligations, or otherwise give value, the secured party, unless requested by  
17 the debtor in writing to continue the filing, ~~must send to the debtor on written~~  
18 ~~demand by the debtor,~~ for each filing officer with whom the financing statement  
19 was filed, a termination statement to the effect that the secured party no longer  
20 claims a security interest under the financing statement nor under the central  
21 notice system, which shall be identified by file number. A termination statement  
22 signed by a person other than the secured party of record must be accompanied  
23 by a separate written statement of assignment signed by the secured party of  
24 record complying with subsection 2 of section 41-09-44, including payment of the  
25 required fee, if any. If the affected secured party fails to file a termination  
26 statement as required by this subsection, ~~or to send a termination statement within~~  
27 ~~ten days after proper demand,~~ within sixty days of when the secured obligation is  
28 fully satisfied, and the debtor has not requested in writing that the filing be  
29 continued, then the secured party is liable to the debtor for one hundred dollars,  
30 and in addition, for any loss caused to the debtor by such failure. If the affected  
31 secured party fails to file a termination statement within ten days after proper

- 1 written demand by the debtor, then the secured party is liable to the debtor for one
- 2 hundred dollars, and in addition, for any loss caused to the debtor by such failure.