

**HOUSE BILL NO. 1112  
with Senate Amendments  
HOUSE BILL NO. 1112**

Sixty-third  
Legislative Assembly  
of North Dakota

Introduced by

Industry, Business and Labor Committee

(At the request of Job Service North Dakota)

1 A BILL for an Act to amend and reenact subsection 2 of section 52-04-12 and subsection 4 of  
2 section 52-06-02 of the North Dakota Century Code, relating to use of liens to collect  
3 contributions owed to job service North Dakota and to unemployment insurance eligibility in the  
4 case of a labor dispute; and to declare an emergency.

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

6 **SECTION 1. AMENDMENT.** Subsection 2 of section 52-04-12 of the North Dakota Century  
7 Code is amended and reenacted as follows:

8 2. Whenever any employer, liable to pay contributions, interest, or penalty, fails to pay,  
9 the amount of contributions, interest, penalty, and costs that accrue is a lien in favor of  
10 the state upon all property and all rights to property belonging to the employer. The  
11 lien attaches at the time the contributions, interest, or penalty becomes due, and  
12 continues until the liability is satisfied. To preserve the lien against subsequent  
13 mortgages, purchasers for value and without notice of the lien, judgment creditors, and  
14 lienholders, job service North Dakota shall file ~~with~~ a notice of lien utilizing one of these  
15 methods:

16 a. In the central indexing system maintained by the secretary of state. Job service  
17 North Dakota shall index in the central indexing system the following data:

- 18 (1) The name of the employer.
- 19 (2) The name "job service North Dakota" as claimant.
- 20 (3) The date and time the notice of lien was indexed.
- 21 (4) The amount of the lien.

22 The notice of lien is effective as of eight a.m. following the indexing of the notice. Job  
23 service North Dakota shall index any notice of lien without payment of a fee or cost to  
24 the secretary of state. Upon payment of contributions, interest, penalty, and costs, job

1           service North Dakota shall index a satisfaction of the lien in the central indexing  
2           system without fees or costs.

3           b.   With the recorder, in the county in which the property is located, a notice of the  
4           lien. The lien is effective from the time of filing of the notice. The recorder shall  
5           preserve the notice and endorse on it the day, hour, and minute when it was  
6           received. The recorder shall index the notice of lien in an appropriate index  
7           record and record the notice of lien in the manner provided for recording real  
8           estate mortgages. The recorder shall accept the notice of lien for filing without  
9           payment of a fee by job service North Dakota. Upon payment of the  
10          contributions, interest, penalty, and costs, job service North Dakota shall file with  
11          the recorder a satisfaction of the lien. The recorder shall enter the satisfaction on  
12          the notice of lien, index the satisfaction in an appropriate index record, and  
13          record the satisfaction in the manner provided for recording satisfactions of real  
14          estate mortgages. The recorder shall accept the satisfaction for filing without  
15          payment of a fee by job service North Dakota. ~~The~~

16          In either method, the attorney general, upon request of job service North Dakota, may  
17          bring suit without bond, to foreclose the lien.

18          **SECTION 2. AMENDMENT.** Subsection 4 of section 52-06-02 of the North Dakota Century  
19          Code is amended and reenacted as follows:

- 20          4.   For any week with respect to which it is found that the individual's unemployment is  
21          due to any kind of labor dispute, including a strike, sympathy strike, or a ~~claimant's~~  
22          ~~work stoppage dispute of any kind which exists because of a labor dispute at the~~  
23          ~~factory, establishment, or other premises at which the individual is or was last~~  
24          ~~employed~~lockout; provided, that this subsection does not apply if it is shown that:  
25          a.   The individual is not participating in or directly interested in the labor dispute  
26          ~~which caused the strike, sympathy strike, or a claimant's work stoppage dispute~~  
27          ~~of any kind~~; and  
28          b.   The individual does not belong to a grade or class of workers of which,  
29          immediately before the commencement of the ~~stoppage~~labor dispute, there were  
30          members employed at the premises at which the ~~strike, sympathy strike, or a~~  
31          ~~claimant's work stoppage~~labor dispute ~~of any kind~~ occurs, any of whom are

1 participating in or directly interested in the labor dispute; provided, that if in any  
2 case separate branches of work, which are commonly conducted as separate  
3 businesses in separate premises, are conducted in separate departments of the  
4 same premises, each such department must, for the purpose of this subsection,  
5 be deemed to be a separate factory, establishment, or other premises.

6 **SECTION 3. EMERGENCY.** Section 2 of this Act is declared to be an emergency measure.