

February 18, 2021

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1366

Page 1, line 1, replace "two" with "a"

Page 1, line 1, replace "sections" with "section"

Page 1, line 2, replace "sale of property subject to a repairman's lien and sale proceeds" with "nonjudicial disposition of property by lienholders"

Page 1, line 3, after the first comma insert "35-13-04,"

Page 1, line 4, after the second comma insert "priority of liens,"

Page 1, line 16, remove the overstrike over "would exceed"

Page 1, line 16, remove "exceeds"

Page 1, line 16, overstrike "four" and insert immediately thereafter "six"

Page 1, line 16, overstrike "nine" and insert immediately thereafter "fifteen"

Page 1, line 19, overstrike "the mortgage or financing statement" and insert immediately thereafter "any liens"

Page 1, line 20, overstrike "recordholder of the"

Page 1, line 21, overstrike "mortgage or financing statement" and insert immediately thereafter "lienholders of record"

Page 1, line 22, after the period insert "Storage fees under this chapter may not begin to accrue until fifteen days after the owner is requested to take possession of the property."

SECTION 2. AMENDMENT. Section 35-13-04 of the North Dakota Century Code is amended and reenacted as follows:

35-13-04. Priority of lien.

A lien obtained under this chapter has priority over all other liens, chattel mortgages, or encumbrances against the personal property upon which the lien is secured, but if the repairman has failed to notify the ~~recordholder of the mortgage or financing statement~~ lienholder of record as provided in section 35-13-01, or if such notice was given and the ~~holder of the mortgage or financing statement~~ lienholder of record, within five days after receiving such notice, communicated in writing to the repairman an objection to all the proposed repair costs becoming a lien against the property with priority over the ~~mortgage or financing statement~~ existing liens of record, then only that portion of the repairman's lien up to ~~four~~ six thousand dollars or thirty percent, or ~~nine~~ fifteen thousand dollars or thirty percent for property used for agricultural or construction purposes, of the retail value, whichever is greater, in the property's repaired condition, has priority over the ~~mortgage or financing statement~~ existing lien of record."

Page 2, line 1, overstrike " to prior mortgagee"

Page 2, line 3, overstrike "previously by mortgage," and insert immediately thereafter "by prior liens of record or"

Page 2, line 4, remove "or for sale of the property under sections 3 and 4 of this Act."

Page 2, line 5, overstrike "twenty" and insert immediately thereafter "ten"

Page 2, line 5, remove ". or"

Page 2, line 6, remove "intention to initiate a sale of the property under sections 3 and 4 of this Act."

Page 2, line 7, overstrike "recordholder of the mortgage" and insert immediately thereafter "lienholders of record"

Page 2, line 8, overstrike "recordholder" and insert immediately thereafter "lienholders of record"

Page 2, line 9, overstrike "recordholder's" and insert immediately thereafter "lienholders"

Page 2, line 10, after "notice" insert "before foreclosure"

Page 2, line 16, replace "recordholder" with "lienholder of record"

Page 2, line 21, overstrike "**Mortgagee**" and insert immediately thereafter "**Lienholder**"

Page 2, line 22, remove "recordholder"

Page 2, line 22, overstrike "of any mortgage" and insert immediately thereafter "record lienholder of any lien"

Page 2, line 25, replace "recordholder" with "lienholder"

Page 2, line 25, remove "the"

Page 2, line 26, replace the first "recordholder" with "the lienholder"

Page 2, line 26, replace the second "recordholder" with "lienholder"

Page 2, remove lines 28 and 29

Page 3, replace lines 1 through 30 with:

"SECTION 5. A new section to chapter 35-13 of the North Dakota Century Code is created and enacted as follows:

Nonjudicial disposition of property.

The person holding a lien under this chapter has the rights of a secured party under article nine of the Uniform Commercial Code for purposes of nonjudicial disposition of the property. A person holding a lien under this chapter who chooses to use nonjudicial disposition of the property shall dispose of the property in the manner prescribed for security interests under article nine of the Uniform Commercial Code.

Renumber accordingly