

## PROPOSED AMENDMENTS TO HOUSE BILL NO. 1366

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

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

Page 1, lines 20-21, overstrike "recordholder of the mortgage or financing statement" and insert "lienholder of record"

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

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

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 "ten"

Page 2, lines 5-6, remove ", or 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 "lienholders of record"

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

Page 2, line 9, overstrike "recordholder's" and replace "lienholders"

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

Page 2, line 22, remove "recordholder of any mortgage" and insert "record lienholder of any lien"

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

Page 2, line 26, replace "recordholder" with "lienholder" and "recordholder then" with "lienholder then"

Page 2, removes lines 28 through 29

Page 3, remove lines 1 through 30

## PROPOSED AMENDMENTS TO HOUSE BILL NO. 1366

1       **SECTION 1. AMENDMENT.** Section 35-13-04 of the North Dakota Century Code is  
2 amended and reenacted as follows:

### 3       **35-13-04. Priority of lien.**

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

15       **SECTION 2.** Section 35-13-07 of the North Dakota Century Code is created and enacted  
16 as follows:

### 17       **35-13-07. Non-judicial disposition of property.**

18       The person holding a lien under this chapter shall have the rights of a secured party under  
19 Article 9 of the Uniform Commercial code for purposes of non-judicial disposition of the property.  
20 A person holding a lien under this chapter who chooses to use non-judicial disposition of the  
21 property shall dispose property in the manner prescribed for security interests under Article 9 of  
22 the Uniform Commercial Code.