

**Sixtieth Legislative Assembly of North Dakota  
In Regular Session Commencing Wednesday, January 3, 2007**

HOUSE BILL NO. 1338  
(Representatives DeKrey, Mueller, Ugem)  
(Senators Erbele, Taylor)

AN ACT to amend and reenact sections 35-30-01 and 35-31-01 of the North Dakota Century Code, relating to agricultural processor's and supplier's liens.

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

**SECTION 1. AMENDMENT.** Section 35-30-01 of the North Dakota Century Code is amended and reenacted as follows:

**35-30-01. Agricultural processor's lien authorized.** Any person who processes any crop or agricultural product is entitled to a lien upon the crop or product processed for the reasonable value of the services performed. A lien taken pursuant to this section upon anything other than the crop or product processed is void. As used in this chapter, the term "processor" includes persons threshing, combining, drying, or harvesting any crop or agricultural product. The Except as otherwise provided in this section, the agricultural processor's lien is effective from the date the processing is completed. An agricultural processor's lien filed as a security interest created by contract to secure money advanced or loaned for any purpose is not effective to secure a priority over liens filed under section 35-05-01. This chapter does not limit the sale, assignment, or transfer of an agricultural processor's lien. However, the priority of an effective agricultural processor's lien is not transferable. After sale, assignment, or transfer, the priority of an effective agricultural processor's lien is to be determined as of the date the lien was filed and in accordance with section 41-09-33.

**SECTION 2. AMENDMENT.** Section 35-31-01 of the North Dakota Century Code is amended and reenacted as follows:

**35-31-01. Agricultural supplier's lien authorized.** Any person who furnishes supplies used in the production of crops, agricultural products, or livestock is entitled to a lien upon the crops, products produced by the use of the supplies, and livestock and their products including milk. As used in this chapter, the term "supplies" includes seed, petroleum products, fertilizer, farm chemicals, insecticide, feed, hay, pasturage, veterinary services, or the furnishing of services in delivering or applying the supplies. Except as otherwise provided in this section, an agricultural supplier's lien filed in accordance with section 35-31-02 is effective from the date the supplies are furnished or the services performed. An agricultural supplier's lien filed as a security interest created by contract to secure money advanced or loaned for any purposes is not effective to secure a priority over liens filed under section 35-05-01. This chapter does not limit the sale, assignment, or transfer of an agricultural supplier's lien. However, the priority of an effective agricultural supplier's lien is not transferable from the original lienholder. After sale, assignment, or transfer, the priority of an effective agricultural supplier's lien is to be determined as of the date the lien was filed and in accordance with section 41-09-33.

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Speaker of the House

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President of the Senate

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Chief Clerk of the House

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Secretary of the Senate

This certifies that the within bill originated in the House of Representatives of the Sixtieth Legislative Assembly of North Dakota and is known on the records of that body as House Bill No. 1338.

House Vote:      Yeas    90      Nays    1      Absent    3

Senate Vote:    Yeas    45      Nays    0      Absent    2

\_\_\_\_\_  
Chief Clerk of the House

Received by the Governor at \_\_\_\_\_ M. on \_\_\_\_\_, 2007.

Approved at \_\_\_\_\_ M. on \_\_\_\_\_, 2007.

\_\_\_\_\_  
Governor

Filed in this office this \_\_\_\_\_ day of \_\_\_\_\_, 2007,

at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Secretary of State