

Substitutes for HF 2461
3/12/02 (P. 709)

FILED FEB 18 2002

SENATE FILE 2212
BY COMMITTEE ON COMMERCE

(SUCCESSOR TO SF 2096)

Passed Senate, ^(P. 556) Date 3-11-02 Passed House, ^(P. 710) Date 3-12-02
Vote: Ayes 49 Nays 0 Vote: Ayes 91 Nays 0
Approved 3/21/02

A BILL FOR

1 An Act relating to secured transactions, by providing for
2 landlord liens.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23

SF 2212

1 Section 1. Section 570.1, subsection 2, unnumbered
2 paragraph 2, Code Supplement 2001, is amended to read as
3 follows:

4 3. A financing statement filed to perfect a lien in the
5 farm products must include a statement that it is filed for
6 the purpose of perfecting a landlord's lien. Notwithstanding
7 section 554.9515, such financing statement shall continue to
8 be effective until a termination statement is filed.

9 4. Within twenty days after a landlord who has filed a
10 financing statement receives a written demand, authenticated
11 as provided in article 9 of chapter 554, from a tenant, the
12 landlord shall file a termination statement, if the lien in
13 the farm products has expired or if the tenant is no longer in
14 possession of the leased premises and has performed all
15 obligations under the lease.

16 EXPLANATION

17 This bill amends provisions in Code chapter 570 providing
18 for landlord's liens. Code chapter 570 protects the credit
19 interests of landlords who lease their premises to farmers, by
20 providing landlords a lien for the rent upon crops grown on
21 the leased land and on other personal property of the tenant.

22 In 2000, the general assembly enacted House File 2513 (2000
23 Iowa Acts, chapter 1149) adopting revised article 9 of the
24 uniform commercial code as proposed by the American law
25 institute and the national conference of commissioners on
26 uniform state laws, and conforming amendments to a number of
27 articles within that chapter as well as other chapters
28 providing for security interests and liens, including Code
29 chapter 570.

30 Prior to the revision of article 9, liens created in
31 statutes outside Code chapter 554 were not affected by its
32 provisions. These liens include types of statutory liens such
33 as the landlord's lien created in Code chapter 570. Revised
34 article 9 provides filing requirements for perfecting
35 statutory liens referred to as "agricultural liens" and

1 therefore may control issues relating to priority of
2 conflicting security interests and liens. Code chapter 570
3 was amended to require a landlord to file a financing
4 statement in order to perfect a lien in farm products (crops).
5 The amendment to Code chapter 570 provided for the contents of
6 the financing statement, and provided that if perfected it
7 would enjoy priority over conflicting security interests or
8 liens even if they were perfected earlier.

9 This bill amends Code section 570.1, which in part provides
10 for the filing of financing statements. The bill provides
11 that such a financing statement continues to be effective
12 until a termination statement is filed. Current Code section
13 570.2 provides that the lien continues for one year after a
14 year's rent falls due, but in no case more than six months
15 after the term of the lease expires.

16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35

SENATE FILE 2212

S-5134

1 Amend Senate File 2212 as follows:

2 1. By striking everything after the enacting
3 clause and inserting the following:

4 "Section 1. Section 554.9322, subsection 7, Code
5 Supplement 2001, is amended to read as follows:

6 7. PRIORITY UNDER AGRICULTURAL LIEN STATUTE. A
7 perfected agricultural lien on collateral has priority
8 over a conflicting security interest in or
9 agricultural lien on the same collateral if the
10 statute creating the agricultural lien so provides.
11 Notwithstanding any provision of this section to the
12 contrary, an agricultural lien created in chapter 570
13 as a landlord's lien on farm products has priority
14 over a conflicting security interest or lien,
15 including a security interest or lien that was
16 perfected prior to the effectiveness of the landlord's
17 lien, in the same manner as provided in section 570.1.

18 Sec. 2. Section 554.9515, Code Supplement 2001, is
19 amended by adding the following new subsection:

20 NEW SUBSECTION. 8. This section does not apply to
21 a financing statement perfecting an agricultural lien
22 created under chapter 570.

23 Sec. 3. Section 570.1, subsection 2, Code
24 Supplement 2001, is amended to read as follows:

25 2. a. In order to perfect a lien in farm products
26 as defined in section 554.9102, which is created under
27 this section, a landlord must file a financing
28 statement as required by section 554.9308, subsection

29 2. The lien on the farm products is an agricultural
30 lien as provided in section 554.9302. Except as
31 provided in chapters 571, 572, 579A, 579B, and 581, a
32 perfected lien in the farm products has priority over
33 a conflicting security interest or lien, including a
34 security interest or lien that was perfected prior to
35 the creation of the lien under this section, if the
36 lien created in this section is perfected on either of
37 the following dates:

38 a- (1) Prior to July 1, 2001 2002.

39 b- (2) When the debtor takes possession of the
40 leased premises or within twenty days after the debtor
41 takes possession of the leased premises.

42 b. The financing statement must meet the
43 requirements of section 554.9502, subsection 1, and
44 include all applicable information described in
45 section 554.9516. ~~A The financing statement filed to~~
46 ~~perfect a lien in the farm products~~ must also include
47 a statement that it is filed for the purpose of
48 perfecting a landlord's lien. Filing a financing
49 statement as provided in this subsection satisfies all
50 requirements for perfection of an agricultural lien as

S-5134

S-5134

Page 2

1 provided in chapter 554, article 9.
2 c. For as long as the landlord and the tenant are
3 parties to a lease for the same leased premises,
4 including under the terms of the original lease or the
5 renewal of a lease, the landlord's lien shall continue
6 without the filing of a continuation statement as
7 otherwise required in section 554.9515. Within twenty
8 days after a landlord who has filed a financing
9 statement receives a written demand, authenticated as
10 provided in ~~article 9~~ of chapter 554, article 9, from
11 a tenant, the landlord shall file a termination
12 statement, if the lien in the farm products has
13 expired or if the tenant is no longer in possession of
14 the leased premises and has performed all obligations
15 under the lease."

By THOMAS FIEGEN

S-5134 FILED MARCH 7, 2002

Lost
3-11-02
(P. 555)

SENATE FILE 2212

S-5132

1 Amend Senate File 2212 as follows:

2 1. By striking everything after the enacting
3 clause and inserting the following:

4 "Section 1. Section 554.9322, subsection 7, Code
5 Supplement 2001, is amended to read as follows:

6 7. PRIORITY UNDER AGRICULTURAL LIEN STATUTE. A
7 perfected agricultural lien on collateral has priority
8 over a conflicting security interest in or
9 agricultural lien on the same collateral if the
10 statute creating the agricultural lien so provides.
11 Notwithstanding any provision of this section to the
12 contrary, an agricultural lien created in chapter 570
13 as a landlord's lien on farm products has priority
14 over a conflicting security interest or lien,
15 including a security interest or lien that was
16 perfected prior to the effectiveness of the landlord's
17 lien, in the same manner as provided in section 570.1.

18 Sec. 2. Section 554.9515, Code Supplement 2001, is
19 amended by adding the following new subsection:

20 NEW SUBSECTION. 8. This section does not apply to
21 a financing statement perfecting an agricultural lien
22 created under chapter 570.

23 Sec. 3. Section 570.1, subsection 2, Code
24 Supplement 2001, is amended to read as follows:

25 2. a. The lien on the farm products is an
26 agricultural lien as provided in section 554.9302. In
27 order to perfect a lien in farm products as defined in
28 section 554.9102, which is created under this section,
29 a landlord must file a financing statement as required
30 by section 554.9308, subsection 2. Except as provided
31 in chapters 571, 572, 579A, 579B, and 581, a perfected
32 lien in the farm products has priority over a
33 conflicting security interest or lien, including a
34 security interest or lien that was perfected prior to
35 the creation of the lien under this section, if the
36 lien created in this section is perfected on either of
37 the following dates:

38 a- (1) Prior to July 1, 2001 2002.

39 b- (2) When the debtor takes possession of the
40 leased premises or within twenty days after the debtor
41 takes possession of the leased premises.

42 b. The financing statement must meet the
43 requirements of section 554.9502, subsection 1, and
44 include all applicable information described in
45 section 554.9516. ~~A The financing statement filed to~~
46 perfect a lien in the farm products must also include
47 a statement that it is filed for the purpose of
48 perfecting a landlord's lien. Filing a financing
49 statement as provided in this subsection satisfies all
50 requirements for perfection of an agricultural lien as

S-5132

S-5132

Page 2

1 provided in chapter 554, article 9.
2 c. For as long as the landlord and the tenant are
3 parties to a lease for the same leased premises,
4 including under the terms of the original lease or the
5 renewal of a lease, the landlord's lien shall continue
6 without the filing of a continuation statement as
7 otherwise required in section 554.9515. Within twenty
8 days after a landlord who has filed a financing
9 statement receives a written demand, authenticated as
10 provided in ~~article 9~~ of chapter 554, article 9, from
11 a tenant, the landlord shall file a termination
12 statement, if the lien in the farm products has
13 expired or if the tenant is no longer in possession of
14 the leased premises and has performed all obligations
15 under the lease."

By THOMAS FIEGEN

S-5132 FILED MARCH 7, 2002

W/D 2-11-02
(P. 555)

possession of the leased premises and has performed all obligations under the lease.

SENATE FILE 2212

AN ACT

RELATING TO SECURED TRANSACTIONS, BY PROVIDING FOR LANDLORD LIENS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 570.1, subsection 2, unnumbered paragraph 2, Code Supplement 2001, is amended to read as follows:

3. A financing statement filed to perfect a lien in the farm products must include a statement that it is filed for the purpose of perfecting a landlord's lien. Notwithstanding section 554.9515, such financing statement shall continue to be effective until a termination statement is filed.

4. Within twenty days after a landlord who has filed a financing statement receives a written demand, authenticated as provided in article 9 of chapter 554, from a tenant, the landlord shall file a termination statement, if the lien in the farm products has expired or if the tenant is no longer in

MARY E. KRAMER
President of the Senate

BRENT SIEGRIST
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2212, Seventy-ninth General Assembly.

MICHAEL E. MARSHALL
Secretary of the Senate

Approved March 21, 2002

THOMAS J. VILSACK
Governor