

CHAPTER 579A

CUSTOM CATTLE FEEDLOT LIEN

Referred to in §570.1, 579.1, 579B.7, 580.1

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579A.1 Definitions.

As used in this chapter, unless the context otherwise requires:

1. “*Cattle*” means an animal classified as bovine, regardless of the age or sex of the animal.
2. “*Custom cattle feedlot*” means a feedlot where cattle owned by a person are provided feed and care by another person.
3. “*Custom cattle feedlot operator*” means the owner of a custom cattle feedlot or the owner’s personal representative.
4. “*Feedlot*” means a lot, yard, corral, building, or other area in which cattle are confined and fed and maintained for forty-five days or more in any twelve-month period.
5. “*Lien*” means a custom cattle feedlot lien created in section 579A.2.
6. “*Personal representative*” means a person who is authorized by the owner of a custom cattle feedlot to act on behalf of the owner, including by executing an agreement, managing a custom cattle feedlot, filing a financing statement to perfect a lien, and enforcing a lien under this chapter.
7. “*Processor*” means the same as defined in section 202B.102.
95 Acts, ch 59, §2; 99 Acts, ch 169, §7, 8, 22, 24; 2001 Acts, ch 25, §1, 2
Referred to in §579B.7

579A.2 Establishment of lien — priority.

1. A custom cattle feedlot lien is created. The lien is an agricultural lien as provided in section 554.9302.
2. A custom cattle feedlot operator shall have a lien upon the cattle and the identifiable cash proceeds from the sale of the cattle for the amount of the contract price for the feed and care of the cattle at the custom cattle feedlot pursuant to a written or oral agreement by the custom cattle feedlot operator and the person who owns the cattle, which may be enforced as provided in section 579A.3. The custom cattle feedlot operator is a secured party and the owner of the cattle is a debtor for purposes of chapter 554, article 9.
3. A custom cattle feedlot lien becomes effective at the time the cattle arrive at the custom cattle feedlot. In order to perfect the lien, the custom cattle feedlot operator must file a financing statement in the office of the secretary of state as provided in section 554.9308 within twenty days after the cattle arrive at the custom cattle feedlot.
 - a. The financing statement shall substantially meet the requirements of section 554.9502, subsection 1, and include all applicable information described in section 554.9516.
 - b. The lien terminates one year after the cattle have left the custom cattle feedlot. The lien may be terminated by the custom cattle feedlot operator who files a termination statement as provided in chapter 554, article 9.
4. Filing a financing statement as provided in this section substantially satisfies all requirements for perfection of an agricultural lien as provided in chapter 554, article 9.
5. a. A custom cattle feedlot lien that is perfected under this section is superior to and shall have priority over a conflicting lien or security interest in the cattle, including a lien or security interest that was perfected prior to the perfection of the custom cattle feedlot lien.
 - b. Notwithstanding paragraph “a”, a custom cattle feedlot lien shall not be superior to a court-ordered lien provided in section 717.4 or a veterinarian’s lien created under chapter 581, if such lien is perfected as an agricultural lien as provided in chapter 554, article 9.

c. A custom cattle feedlot lien that is effective but not perfected under this section has priority as provided in section 554.9322.

95 Acts, ch 59, §3; 99 Acts, ch 169, §9 – 11, 22, 24; 2001 Acts, ch 25, §3; 2005 Acts, ch 136, §38; 2005 Acts, ch 179, §74; 2011 Acts, ch 81, §2

Referred to in §579A.1, 579A.3

579A.3 Enforcement.

While the cattle are located at the custom cattle feedlot, the custom cattle feedlot operator may enforce a lien created in section 579A.2 in the manner provided for the enforcement of an agricultural lien as provided in chapter 554, article 9, part 6. After the cattle have left the custom cattle feedlot, the custom cattle feedlot operator may enforce the lien by commencing an action at law for the amount of the lien against either of the following:

1. The holder of the identifiable cash proceeds from the sale of the cattle.

2. The processor who has purchased the cattle within three days after the cattle have left the custom cattle feedlot.

95 Acts, ch 59, §4; 2000 Acts, ch 1149, §180, 187; 2002 Acts, ch 1119, §93

Referred to in §579A.2

579A.4 Waivers unenforceable.

A waiver of a right created by this chapter, including but not limited to a waiver of the right to file a financing statement pursuant to this chapter, is void and unenforceable. This section does not affect other provisions of a contract, including a production contract or a related document, policy, or agreement which can be given effect without the voided provision.

99 Acts, ch 169, §12, 22, 24; 2001 Acts, ch 25, §4

579A.5 Alternate lien procedure.

A person who is a custom cattle feedlot operator may file a financing statement and enforce a lien as a contract producer under this chapter or chapter 579B, but not both.

99 Acts, ch 169, §13, 22, 24; 2001 Acts, ch 25, §5