

*Reprinted*

*3/7/95 Do Pass*

FEB 21 1995  
Agriculture

HOUSE FILE 198  
BY GREIG

Passed House, Date <sup>(P.1045)</sup> 3-29-95 Passed Senate, Date <sup>(P.1159)</sup> 4/12/95  
Vote: Ayes 96 Nays 0 Vote: Ayes 50 Nays 0  
Approved 4/24/96

A BILL FOR

1 An Act creating a lien arising from the care and feeding of  
2 livestock in a custom cattle feedlot.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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*HF 198*

1 Section 1. Section 579.1, Code 1995, is amended to read as  
2 follows:

3 579.1 NATURE OF LIEN.

4 1. Livery and feed stable keepers, herders, feeders, or  
5 keepers of stock ~~and of places for the storage of motor~~  
6 ~~vehicles, boats and boat engines and boat motors~~ shall have a  
7 lien on all property coming into their hands, as such, for  
8 their charges and the expense of keeping, but such lien shall  
9 be subject to chapter 579A and all prior liens of record.

10 2. Places for the storage of motor vehicles, boats, and  
11 boat engines and boat motors shall have a lien on all property  
12 coming into their hands, as such, for their charges and the  
13 expense of keeping, but such lien shall be subject to all  
14 prior liens of record.

15 Sec. 2. NEW SECTION. 579A.1 DEFINITIONS.

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

18 1. "Cattle" means an animal classified as bovine,  
19 regardless of the age or sex of the animal.

20 2. "Custom cattle feedlot" means a feedlot where cattle  
21 owned by a person are subject to care and feeding performed by  
22 another person.

23 3. "Feedlot" means the same as defined in section 172D.1.

24 Sec. 3. NEW SECTION. 579A.2 ESTABLISHMENT OF LIEN --  
25 PRIORITY.

26 Except for a lien perfected as provided in chapter 581, a  
27 custom cattle feedlot operator shall have a first and  
28 paramount lien upon the cattle and the identifiable cash  
29 proceeds from the sale of the cattle for the feed and care  
30 bestowed on the cattle up to the amount of the contract price  
31 agreed upon by both parties, or if no price has been agreed  
32 upon, for the reasonable value of such feed and care. A lien  
33 created under this section is perfected without any notice to  
34 any person by the provision of the feed and care. The lien  
35 attaches at the time the cattle enter the feedlot and

1 continues for one year after the cattle have left the feedlot.  
2 The lien is enforceable against a purchaser of the cattle,  
3 including a purchaser who did not have knowledge of the lien.  
4 This lien has priority over a conflicting security interest in  
5 the cattle, including over a lien that was perfected prior to  
6 the attachment of the feedlot operator's lien.

7 Sec. 4. NEW SECTION. 579A.3 ENFORCEMENT.

8 While cattle are located at the feedlot, the feedlot  
9 operator may foreclose its lien in the manner provided for the  
10 foreclosure of secured transactions as provided in sections  
11 554.9504, 554.9506, and 554.9507. After the cattle have left  
12 the feedlot, the feedlot operator may enforce its lien by  
13 commencing an action at law for the amount of the lien against  
14 a person who has possession of the cattle, a person who holds  
15 the identifiable cash proceeds from the sale of the cattle, or  
16 any purchaser of the cattle after the cattle have left the  
17 feedlot.

18 Sec. 5. Section 580.1, Code 1995, is amended to read as  
19 follows:

20 580.1 NATURE OF LIEN -- FORFEITURE.

21 The Except as provided in chapter 579A, the owner or keeper  
22 of any stallion, bull or jack kept for public service, or any  
23 person, firm, or association which invokes pregnancy of  
24 animals for the public by means of artificial insemination  
25 shall have a prior lien on the progeny of such stallion, bull,  
26 artificial insemination or jack, to secure the amount due such  
27 owner, artificial inseminator or keeper for the service  
28 resulting in such progeny, but no such lien shall obtain where  
29 the owner or keeper misrepresents the animal by a false or  
30 spurious pedigree, or fails to substantially comply with the  
31 laws of Iowa relating to such animals.

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#### EXPLANATION

33 This bill provides that a custom cattle feedlot operator  
34 has a lien upon the cattle and the identifiable cash proceeds  
35 from the sale of the cattle for the feed and care bestowed on

1 the cattle up to the contract price agreed upon by the  
2 parties, or, if no price has been agreed upon, for the  
3 reasonable value of such feed and care. The lien is superior  
4 to all other liens except liens filed by a veterinarian under  
5 chapter 581. The lien is perfected without any notice to any  
6 person by the provision of the feed and care. The lien  
7 attaches at the time the cattle enter the feedlot and  
8 continues for one year after the cattle have left the feedlot.  
9 The lien is enforceable against a purchaser of the cattle,  
10 including a purchaser who did not have knowledge of the lien.  
11 This lien has priority over a conflicting security interest in  
12 the cattle, including over a lien that was perfected prior to  
13 the attachment of the feedlot operator's lien. While cattle  
14 are located at the feedlot, the feedlot operator may foreclose  
15 its lien in the manner provided for the foreclosure of secured  
16 transactions as provided in article 9 of the uniform  
17 commercial code. After the cattle have left the feedlot, the  
18 feedlot operator may enforce its lien by commencing an action  
19 at law for the amount of the lien against a person who has  
20 possession of the cattle, a person who holds the identifiable  
21 cash proceeds from the sale of the cattle, or any purchaser of  
22 the cattle after the cattle have left the feedlot.

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## HOUSE FILE 198

H-3453

1 Amend House File 198 as follows:

2 1. Page 1, by inserting after line 22 the  
3 following:

4 "\_\_\_\_\_. "Custom cattle feedlot operator" means the  
5 owner of a custom cattle feedlot or a person managing  
6 the custom cattle feedlot, if the person is authorized  
7 by the owner to file and enforce a lien under this  
8 chapter."

9 2. Page 1, by inserting after line 23 the  
10 following:

11 "\_\_\_\_\_. "Processor" means the same as defined in  
12 section 9H.1."

13 3. By striking page 1, line 26, through page 2,  
14 line 6, and inserting the following:

15 "1. A custom cattle feedlot operator shall have a  
16 lien upon the cattle and the identifiable cash  
17 proceeds from the sale of the cattle for the amount of  
18 the contract price for the feed and care of the  
19 livestock at the custom cattle feedlot agreed upon by  
20 the custom cattle feedlot operator and the person who  
21 owns the cattle, which may be enforced as provided in  
22 section 579A.3.

23 2. The lien is created at the time the cattle  
arrive at the custom cattle feedlot and continues for  
one year after the cattle have left the custom cattle  
26 feedlot. In order to preserve the lien, the custom  
27 cattle feedlot operator must, within twenty days after  
28 the cattle arrive at the custom cattle feedlot, file  
29 in the office of the secretary of state, a lien  
30 statement on a form prescribed by the secretary of  
31 state. The secretary of state shall charge a fee of  
32 not more than ten dollars for filing the statement.  
33 The secretary of state may adopt rules pursuant to  
34 chapter 17A for the electronic filing of the  
35 statements. The statement must include all of the  
36 following:

37 a. An estimate of the amount of feed and care  
38 provided to the cattle pursuant to the contract.

39 b. The estimated duration of the period when the  
40 cattle are subject to feed and care at the custom  
41 cattle feedlot.

42 c. The name of the party to the contract whose  
43 cattle are subject to feed and care at the custom  
44 cattle feedlot.

45 d. The description of the location of the custom  
46 cattle feedlot, by county and township.

47 e. The signature of the person filing the form.

48 3. Except as provided in chapter 581, a lien  
created under this section until preserved and a lien  
preserved under this section is superior to and shall

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Page 2

1 have priority over a conflicting lien or security  
2 interest in the cattle, including a lien that was  
3 perfected prior to the creation of the lien provided  
4 under this section."  
5 4. Page 2, by striking lines 8 through 17 and  
6 inserting the following:  
7 "While the cattle are located at the custom cattle  
8 feedlot, the custom cattle feedlot operator may  
9 foreclose a lien created in section 579A.2 in the  
10 manner provided for the foreclosure of secured  
11 transactions as provided in sections 554.9504,  
12 554.9506, and 554.9507. After the cattle have left  
13 the custom cattle feedlot, the custom cattle feedlot  
14 operator may enforce the lien by commencing an action  
15 at law for the amount of the lien against either of  
16 the following:  
17 1. The holder of the identifiable cash proceeds  
18 from the sale of the cattle.  
19 2. The processor who has purchased the cattle  
20 within three days after the cattle have left the  
21 custom cattle feedlot."  
22 5. By renumbering as necessary.

By GREIG of Emmet

H-3453 FILED MARCH 23, 1995

*adapted*  
*3-29-95*  
*(p. 1045)*

*Substituted for  
SF 210  
4-12-95  
(P. 1159)*

HOUSE FILE 198  
BY GREIG

(As Amended and Passed by the House March 29, 1995)

Passed House, <sup>(P. 1045)</sup> Date 3/29/95 Passed Senate, <sup>(P. 1159)</sup> Date 4/12/95  
Vote: Ayes 96 Nays 0 Vote: Ayes 50 Nays 0  
Approved April 24, 1995

A BILL FOR

1 An Act creating a lien arising from the care and feeding of  
2 livestock in a custom cattle feedlot.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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House Amendments \_\_\_\_\_

1 Section 1. Section 579.1, Code 1995, is amended to read as  
2 follows:

3 579.1 NATURE OF LIEN.

4 1. Livery and feed stable keepers, herders, feeders, or  
5 keepers of stock and of places for the storage of motor  
6 vehicles, boats and boat engines and boat motors shall have a  
7 lien on all property coming into their hands, as such, for  
8 their charges and the expense of keeping, but such lien shall  
9 be subject to chapter 579A and all prior liens of record.

10 2. Places for the storage of motor vehicles, boats, and  
11 boat engines and boat motors shall have a lien on all property  
12 coming into their hands, as such, for their charges and the  
13 expense of keeping, but such lien shall be subject to all  
14 prior liens of record.

15 Sec. 2. NEW SECTION. 579A.1 DEFINITIONS.

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

18 1. "Cattle" means an animal classified as bovine,  
19 regardless of the age or sex of the animal.

20 2. "Custom cattle feedlot" means a feedlot where cattle  
21 owned by a person are subject to care and feeding performed by  
22 another person.

23 3. "Custom cattle feedlot operator" means the owner of a  
24 custom cattle feedlot or a person managing the custom cattle  
25 feedlot, if the person is authorized by the owner to file and  
26 enforce a lien under this chapter.

27 4. "Feedlot" means the same as defined in section 172D.1.

28 5. "Processor" means the same as defined in section 9H.1.

29 Sec. 3. NEW SECTION. 579A.2 ESTABLISHMENT OF LIEN --  
30 PRIORITY.

31 1. A custom cattle feedlot operator shall have a lien upon  
32 the cattle and the identifiable cash proceeds from the sale of  
33 the cattle for the amount of the contract price for the feed  
34 and care of the livestock at the custom cattle feedlot agreed  
35 upon by the custom cattle feedlot operator and the person who

1 owns the cattle, which may be enforced as provided in section  
2 579A.3.

3     2. The lien is created at the time the cattle arrive at  
4 the custom cattle feedlot and continues for one year after the  
5 cattle have left the custom cattle feedlot. In order to  
6 preserve the lien, the custom cattle feedlot operator must,  
7 within twenty days after the cattle arrive at the custom  
8 cattle feedlot, file in the office of the secretary of state,  
9 a lien statement on a form prescribed by the secretary of  
10 state. The secretary of state shall charge a fee of not more  
11 than ten dollars for filing the statement. The secretary of  
12 state may adopt rules pursuant to chapter 17A for the  
13 electronic filing of the statements. The statement must  
14 include all of the following:

15     a. An estimate of the amount of feed and care provided to  
16 the cattle pursuant to the contract.

17     b. The estimated duration of the period when the cattle  
18 are subject to feed and care at the custom cattle feedlot.

19     c. The name of the party to the contract whose cattle are  
20 subject to feed and care at the custom cattle feedlot.

21     d. The description of the location of the custom cattle  
22 feedlot, by county and township.

23     e. The signature of the person filing the form.

24     3. Except as provided in chapter 581, a lien created under  
25 this section until preserved and a lien preserved under this  
26 section is superior to and shall have priority over a  
27 conflicting lien or security interest in the cattle, including  
28 a lien that was perfected prior to the creation of the lien  
29 provided under this section.

30     Sec. 4. NEW SECTION. 579A.3 ENFORCEMENT.

31     While the cattle are located at the custom cattle feedlot,  
32 the custom cattle feedlot operator may foreclose a lien  
33 created in section 579A.2 in the manner provided for the  
34 foreclosure of secured transactions as provided in sections  
35 554.9504, 554.9506, and 554.9507. After the cattle have left

1 the custom cattle feedlot, the custom cattle feedlot operator  
2 may enforce the lien by commencing an action at law for the  
3 amount of the lien against either of the following:

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

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

8 Sec. 5. Section 580.1, Code 1995, is amended to read as  
9 follows:

10 580.1 NATURE OF LIEN -- FORFEITURE.

11 The Except as provided in chapter 579A, the owner or keeper  
12 of any stallion, bull or jack kept for public service, or any  
13 person, firm, or association which invokes pregnancy of  
14 animals for the public by means of artificial insemination  
15 shall have a prior lien on the progeny of such stallion, bull,  
16 artificial insemination or jack, to secure the amount due such  
17 owner, artificial inseminator or keeper for the service  
18 resulting in such progeny, but no such lien shall obtain where  
19 the owner or keeper misrepresents the animal by a false or  
20 spurious pedigree, or fails to substantially comply with the  
21 laws of Iowa relating to such animals.

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HOUSE FILE 198

AN ACT

CREATING A LIEN ARISING FROM THE CARE AND FEEDING OF  
LIVESTOCK IN A CUSTOM CATTLE FEEDLOT.

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

Section 1. Section 579.1, Code 1995, is amended to read as follows:

579.1 NATURE OF LIEN.

1. Livery and feed stable keepers, herders, feeders, or keepers of stock ~~and-of-places-for-the-storage-of-motor vehicles,-boats-and-boat-engines-and-boat-motors~~ shall have a lien on all property coming into their hands, as such, for their charges and the expense of keeping, but such lien shall be subject to chapter 579A and all prior liens of record.

2. Places for the storage of motor vehicles, boats, and boat engines and boat motors shall have a lien on all property coming into their hands, as such, for their charges and the expense of keeping, but such lien shall be subject to all prior liens of record.

Sec. 2. NEW SECTION. 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 subject to care and feeding performed by another person.

3. "Custom cattle feedlot operator" means the owner of a custom cattle feedlot or a person managing the custom cattle feedlot, if the person is authorized by the owner to file and enforce a lien under this chapter.

4. "Feedlot" means the same as defined in section 172D.1.

5. "Processor" means the same as defined in section 9H.1.

Sec. 3. NEW SECTION. 579A.2 ESTABLISHMENT OF LIEN -- PRIORITY.

1. 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 livestock at the custom cattle feedlot agreed upon by the custom cattle feedlot operator and the person who owns the cattle, which may be enforced as provided in section 579A.3.

2. The lien is created at the time the cattle arrive at the custom cattle feedlot and continues for one year after the cattle have left the custom cattle feedlot. In order to preserve the lien, the custom cattle feedlot operator must, within twenty days after the cattle arrive at the custom cattle feedlot, file in the office of the secretary of state, a lien statement on a form prescribed by the secretary of state. The secretary of state shall charge a fee of not more than ten dollars for filing the statement. The secretary of state may adopt rules pursuant to chapter 17A for the electronic filing of the statements. The statement must include all of the following:

a. An estimate of the amount of feed and care provided to the cattle pursuant to the contract.

b. The estimated duration of the period when the cattle are subject to feed and care at the custom cattle feedlot.

c. The name of the party to the contract whose cattle are subject to feed and care at the custom cattle feedlot.

d. The description of the location of the custom cattle feedlot, by county and township.

e. The signature of the person filing the form.

3. Except as provided in chapter 581, a lien created under this section until preserved and a lien preserved under this section is superior to and shall have priority over a conflicting lien or security interest in the cattle, including a lien that was perfected prior to the creation of the lien provided under this section.

Sec. 4. NEW SECTION. 579A.3 ENFORCEMENT.

While the cattle are located at the custom cattle feedlot, the custom cattle feedlot operator may foreclose a lien created in section 579A.2 in the manner provided for the foreclosure of secured transactions as provided in sections 554.9504, 554.9506, and 554.9507. 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.

Sec. 5. Section 580.1, Code 1995, is amended to read as follows:

580.1 NATURE OF LIEN -- FORFEITURE.

The Except as provided in chapter 579A, the owner or keeper of any stallion, bull or jack kept for public service, or any person, firm, or association which invokes pregnancy of animals for the public by means of artificial insemination shall have a prior lien on the progeny of such stallion, bull, artificial insemination or jack, to secure the amount due such owner, artificial inseminator or keeper for the service resulting in such progeny, but no such lien shall obtain where

the owner or keeper misrepresents the animal by a false or spurious pedigree, or fails to substantially comply with the laws of Iowa relating to such animals.

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RON J. CORBETT  
Speaker of the House

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LEONARD L. BOSWELL  
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 198, Seventy-sixth General Assembly.

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ELIZABETH ISAACSON  
Chief Clerk of the House

Approved April 24, 1995

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TERRY E. BRANSTAD  
Governor