

Senate Study Bill 1126

Bill Text

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1 1 Section 1. Section [579A.1](#), Code 1999, is amended to read
1 2 as follows:
1 3 579A.1 DEFINITIONS.
1 4 As used in this chapter, unless the context otherwise
1 5 requires:
1 6

~~1. "Cattle" means an animal classified as bovine,~~

~~-~~
1 7

~~regardless of the age or sex of the animal.~~

~~-~~
1 8

~~2.~~

~~1.~~

~~"Custom cattle feedlot"~~

~~- "Contract feeding facility"~~

1 9 means

~~a feedlot~~

~~- an animal feeding operation as defined in~~

1 10 section 455B.161, including a confinement feeding operation or

1 11 open feedlot, where

~~cattle~~

~~- livestock owned by a person~~

~~are~~

~~- is~~

1 12 subject to care and feeding performed by another person.

1 13

~~3.~~

~~2.~~

~~"Custom cattle feedlot operator"~~

~~- "Contract feeding~~

1 14 facility operator" means the owner of a

~~custom cattle feedlot~~

~~-~~
1 15

~~or a person managing the custom cattle feedlot, if the person~~

~~-~~
1 16

~~is authorized by the owner to file and enforce a lien under~~

~~-~~
1 17

~~this chapter~~

~~- contract feeding facility or the owner's personal~~

1 18 representative.
1 19 3. "Livestock" means an animal classified as cattle,
1 20 swine, or poultry, regardless of the age or sex of the animal.
1 21 4.

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

~~-~~
1 22 "Personal representative" means a person who is authorized by
1 23 the owner of the contract feeding facility to act on behalf of
1 24 the owner, including by executing production contracts or
1 25 filing and enforcing liens under this chapter.

1 26 5. "Processor" means the same as defined in section 9H.1.

1 27 6. "Production contract" means an agreement which provides
1 28 that a contract feeding facility operator is required to
1 29 receive payment for feed or services relating to the care and
1 30 feeding of livestock owned by another person during the period
1 31 when the livestock is kept at the contract feeding facility.

1 32 Sec. 2. Section [579A.2](#), Code 1999, is amended to read as
1 33 follows:

1 34 579A.2 ESTABLISHMENT OF LIEN PRIORITY.

1 35 1. A

~~- custom cattle feedlot~~

~~- contract feeding facility~~

~~2 1 operator who is a party to a production contract shall have a~~
~~2 2 lien upon the~~

~~- cattle~~

~~- livestock and the identifiable cash~~

~~2 3 proceeds from the sale of the~~

~~- cattle~~

~~- livestock for the amount~~

~~2 4~~

~~- of the~~

~~- owed to the contract feeding facility operator pursuant~~

~~2 5 to the terms of the production contract~~

~~- price for the feed and~~

~~2 6~~

~~- care of the livestock at the custom cattle feedlot agreed upon~~

~~2 7~~

~~- by the custom cattle feedlot operator and the person who owns~~

~~2 8~~

~~- the cattle~~

~~-, which may be enforced as provided in section~~

~~2 9 [579A.3](#).~~

~~2 10 2. The lien is created at the time the~~

~~- cattle arrive~~

~~2 11 livestock arrives at the~~

~~- custom cattle feedlot~~

~~- contract~~

~~2 12 feeding facility and continues for one year after the~~

~~- cattle~~

~~2 13~~

~~have left~~

- the

~~custom cattle feedlot~~

- livestock leaves the

2 14 contract feeding facility. In order to preserve the lien, the
2 15

~~custom cattle feedlot~~

- contract feeding facility operator must,

2 16 within twenty days after the

~~cattle arrive~~

- livestock arrives

2 17 at the

~~custom cattle feedlot~~

- contract feeding facility, file

2 18 in the office of the secretary of state, a lien statement on a
2 19 form prescribed by the secretary of state. The secretary of
2 20 state shall charge a fee of not more than ten dollars for
2 21 filing the statement. The secretary of state may adopt rules
2 22 pursuant to chapter 17A for the electronic filing of the
2 23 statements. The statement must include all of the following:
2 24 a. An estimate of the amount

~~of feed and care provided to~~

-

2 25

~~the cattle~~

- owed pursuant to the production contract.

2 26 b. The estimated duration of the period when the

~~cattle~~

-

2 27 livestock located at the contract feeding facility are subject
2 28 to

~~feed and care at the custom cattle feedlot~~

- the production

2 29 contract.

2 30 c. The name of the party to the production contract whose
2 31

~~cattle are subject to feed and care at the custom cattle~~

-

2 32

~~feedlot~~

- livestock is located at the contract feeding facility

2 33 pursuant to the production contract.

2 34 d. The description of the location of the

~~custom cattle~~

-

2 35

~~feedlot~~

- contract feeding facility, by county and township.

3 1 e. The printed name and signature of the person filing the
3 2 form.

3 3 3. Except as provided in chapter 581, a lien created under
3 4 this section until preserved and a lien preserved under this
3 5 section is superior to and shall have priority over a
3 6 conflicting lien or security interest in the

~~cattle~~

- livestock,

3 7 including a lien or security interest that was perfected prior
3 8 to the creation of the lien provided under this section.

3 9 Sec. 3. Section 579A.3, Code 1999, is amended to read as
3 10 follows:

3 11 579A.3 ENFORCEMENT.

3 12 While the

~~cattle are~~

- livestock is located at the

~~custom~~

-

3 13

~~cattle feedlot~~

- contract feeding facility, the

~~custom cattle~~

-

3 14

~~feedlot~~

- contract feeding facility operator may foreclose a
3 15 lien created in section 579A.2 in the manner provided for the
3 16 foreclosure of secured transactions as provided in sections
3 17 554.9504, 554.9506, and 554.9507. After the

~~cattle have left~~

-

3 18 livestock leaves the

~~custom cattle feedlot, the custom cattle~~

-

3 19

~~feedlot operator~~

- contract feeding facility, the contract

3 20 feeding facility operator may enforce the lien by commencing
3 21 an action at law for the amount of the lien against either of
3 22 the following:

3 23 1. The holder of the identifiable cash proceeds from the
3 24 sale of the

~~cattle~~

- livestock.

3 25 2. The processor who has purchased the

~~cattle~~

- livestock

3 26 within three days after the

~~cattle have left~~

- livestock leaves

3 27 the

~~custom cattle feedlot~~

- contract feeding facility.

3 28 Sec. 4. NEW SECTION. 579A.4 WAIVERS UNENFORCEABLE.

3 29 A waiver of a right created by this chapter, including but
3 30 not limited to a waiver of the right to file a lien pursuant
3 31 to this chapter, is void and unenforceable.

3 32 Sec. 5. EFFECTIVE DATE. This Act, being deemed of
3 33 immediate importance, takes effect upon enactment.

3 34

EXPLANATION

3 35 This bill amends Code chapter 579 which provides that a
4 1 custom cattle feedlot operator has a lien upon bovine and
4 2 identifiable cash proceeds from the sale of the bovine for the
4 3 amount owed under the terms of the contract. The bill changes
4 4 the names of terms referred to in the chapter. The term
4 5 "custom cattle feedlot" is changed to "contract feeding
4 6 facility" and the term "custom cattle feedlot operator" is
4 7 changed to "contract feeding facility operator". The bill
4 8 provides that the lien applies to contracts involving the care
4 9 and feeding of cattle, swine, and poultry. The procedures for
4 10 filing and enforcing the lien remain substantially the same.
4 11 The bill does provide that a waiver of a right created under
4 12 the chapter's provisions is void and unenforceable.
4 13 The bill takes effect upon enactment.
4 14 LSB 2122SC 78
4 15 da/cf/24