

**Senate Study Bill 3169 - Introduced**

SENATE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE  
ON COMMERCE BILL BY  
CHAIRPERSON DAWSON)

**A BILL FOR**

1 An Act relating to a landlord's lien on farm products and  
2 including applicability provisions.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 554.7209, Code 2020, is amended by adding  
2 the following new subsection:

3 NEW SUBSECTION. 2A. A warehouse's lien created in  
4 subsection 1 is not effective against a landlord perfecting an  
5 agricultural lien as provided in section 570.1.

6 Sec. 2. Section 570.1, subsections 1 and 2, Code 2020, are  
7 amended to read as follows:

8 1. A landlord shall have a lien for the rent upon all ~~crops~~  
9 grown farm products as defined in section 554.9102, produced  
10 upon the leased premises, and upon any other personal property  
11 of the tenant which has been used or kept thereon during the  
12 term and which is not exempt from execution.

13 2. In order to perfect a lien in farm products as defined  
14 in section 554.9102, which is created under this section, a  
15 landlord must file a financing statement as required by section  
16 554.9308, subsection 2. Except as provided in ~~chapters 571,~~  
17 chapter 572, 579A, 579B, and 581, a perfected lien in the  
18 farm products has priority over a any conflicting security  
19 interest or lien, including a security interest or lien that  
20 was perfected prior to the creation of the lien under this  
21 section, if the lien created in this section is perfected ~~on~~  
22 ~~either of the following dates:~~

23 ~~a. Prior to July 1, 2001.~~

24 ~~b. When~~ when the debtor takes possession of the leased  
25 premises or within twenty days after the debtor takes  
26 possession of the leased premises.

27 Sec. 3. Section 571.3A, subsection 2, Code 2020, is amended  
28 to read as follows:

29 2. A harvester's lien that is perfected under section 571.3  
30 shall have priority over a conflicting security interest in  
31 harvested crops regardless of when such security interest is  
32 perfected. A However, a perfected harvester's lien shall not  
33 have priority over a conflicting landlord's lien as provided  
34 in chapter 570, ~~regardless of when such landlord's lien is~~  
35 perfected.



1 of the uniform commercial code (UCC) (Code chapter 554,  
2 article 9), a warehouse lien under the uniform commercial code  
3 (Code section 554.7209), and an agricultural lien including a  
4 harvester's lien (Code chapter 571), a custom cattle feedlot  
5 lien (Code chapter 579A), a commodity production contract lien  
6 (Code chapter 579B), and a veterinarian's lien (Code chapter  
7 581).

8       BACKGROUND. Under Iowa's version of the UCC, article 9,  
9 a security interest is created by a contract referred to as  
10 a security agreement executed by a creditor and debtor that  
11 creates a financial obligation (Code section 554.9201). The  
12 security interest attaches to the debtor's collateral (Code  
13 section 554.9203) and based on that agreement the creditor  
14 may perfect the security interest by filing a financing  
15 statement with the secretary of state (Code section 554.9310).  
16 Possession is also a means to perfect a security interest,  
17 including general warehouse lien allowed under the UCC,  
18 article 7 (Code section 554.7209). In addition, various Code  
19 chapters existing outside the UCC create agricultural liens in  
20 commodities produced by a farming operation. An agricultural  
21 lien is a statutory lien that may secure the payment of a  
22 financial obligation associated with commodity production, and  
23 is not necessarily possessory, meaning that it may continue to  
24 cover the commodity after harvest and delivery (Code section  
25 554.9102(1)(e)). However, an agricultural lien must be  
26 perfected by filing a financing statement with the secretary  
27 of state (Code section 554.9310). Once a lien is created, it  
28 receives a degree of priority over the covered collateral among  
29 competing creditors seeking to enforce a debt. Generally,  
30 under the UCC, article 9, the status of a creditor's priority  
31 is based on the date of the security interest's perfection.  
32 However, certain statutes outside the UCC, article 9, provide  
33 a special status to lienholders, including those holding  
34 agricultural liens.

35       APPLICABILITY. The bill applies to leases entered into,

S.F. \_\_\_\_\_

1 renewed, or otherwise continued on and after July 1, 2020.