

CHAPTER 25
AGRICULTURAL LIENS
H.F. 549

AN ACT providing for agricultural liens.

Be It Enacted by the General Assembly of the State of Iowa:

DIVISION I
CUSTOM CATTLE FEEDLOT LIEN

Section 1. Section 579A.1, Code 2001, is amended by adding the following new subsection:

NEW SUBSECTION. 4A. "Lien" means a custom cattle feedlot lien created in section 579A.2.

Sec. 2. Section 579A.1, subsection 5, Code 2001, is amended to read as follows:

5. "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, ~~or filing a~~ financing statement to perfect a lien, and enforcing ~~liens~~ a lien under this chapter.

Sec. 3. Section 579A.2, Code 2001, is amended to read as follows:

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.

~~2. 3. The A custom cattle feedlot lien is created becomes effective 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 perfect the lien, the custom cattle feedlot operator must, within twenty days after the cattle arrive at the custom cattle feedlot, file must file a financing statement in the office of the secretary of state, a lien statement on a form prescribed by the secretary of state as provided in section 554.9308 within twenty days after the cattle arrive at the custom cattle feedlot. 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. 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 estimated duration of the period when the cattle are subject to feed and care at the custom cattle feedlot. The lien terminates one year after the cattle have left the custom cattle feedlot. Section 554.9515 shall not apply to a financing statement perfecting the lien. The lien may be terminated by the custom cattle feedlot operator who files a termination statement as provided in chapter 554, article 9.~~

~~e. 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 printed name and signature of the person filing the form.~~

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.

~~3. 5. a. Except as provided in chapter 581 this paragraph, a custom cattle feedlot lien created that is perfected 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 or security interest that was perfected prior to the creation of the perfection of the custom cattle feedlot lien provided under this section. However, a custom cattle feedlot lien shall not be superior to a veterinarian's lien created under chapter 581, that is perfected as an agricultural lien as provided in chapter 554, article 9.~~

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

Sec. 4. Section 579A.4, Code 2001, is amended to read as follows:

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 lien 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.

Sec. 5. Section 579A.5, Code 2001, is amended to read as follows:

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.

DIVISION II COMMODITY PRODUCTION CONTRACT LIEN

Sec. 6. Section 579B.1, Code 2001, is amended by adding the following new subsections:
NEW SUBSECTION. 1A. "Continuous arrival" means the arrival of livestock at a contract livestock facility on a monthly basis or more frequently as provided in a production contract.

NEW SUBSECTION. 8A. "Lien" means a commodity production contract lien created in section 579B.3.

Sec. 7. Section 579B.1, subsection 11, Code 2001, is amended to read as follows:

11. "Personal representative" means a person who is authorized by a contract producer to act on behalf of the contract producer, including by executing an agreement, managing a contract operation, or filing a financing statement perfecting a lien, and enforcing a lien as provided in this chapter.

Sec. 8. Section 579B.3, unnumbered paragraph 1, Code 2001, is amended to read as follows:

0A. A commodity production contract lien is created. The lien is an agricultural lien as provided in section 554.9302.

0B. A contract producer who is a party to a production contract executed pursuant to section 579B.2 shall have a lien as provided in this section. The contract producer is a secured party and the owner of the commodity is a debtor for purposes of chapter 554, article 9. The amount of the lien shall be the amount owed to the contract producer pursuant to the terms of the production contract, which may be enforced as provided in section 579B.5.

Sec. 9. Section 579B.3, subsection 1, paragraph b, Code 2001, is amended by striking the paragraph.

Sec. 10. Section 579B.3, subsection 2, paragraph b, Code 2001, is amended by striking the paragraph.

Sec. 11. Section 579B.4, Code 2001, is amended to read as follows:

579B.4 PRESERVING PERFECTING THE LIEN — FILING REQUIREMENTS.

1. ~~In order to preserve a lien created pursuant to section 579B.3, a contract producer must file in the office of the secretary of state a lien statement on a form prescribed by the secretary of state. A commodity production contract lien becomes effective and is perfected as follows:~~

~~a. If the For a lien arises arising out of producing livestock or raw milk, the lien becomes effective the contract producer must file the lien within forty five days after the day that the livestock first arrives at the contract livestock facility. In order to perfect the lien, the contract producer must file a financing statement in the office of the secretary of state as provided in section 554.9308. Unless the production contract provides for continuous arrival, the contract producer must file the financing statement for the livestock within forty-five days after the livestock's arrival. If the production contract provides for continuous arrival, the contract producer must file the financing statement for the livestock within one hundred eighty days after the livestock's arrival. The lien terminates one year after the livestock is no longer under the authority of the contract producer. For purposes of this section, livestock is no longer under the authority of the contract producer when the livestock leaves the contract livestock facility. Section 554.9515 shall not apply to a financing statement perfecting the lien. The lien may be terminated by the contract producer who files a termination statement as provided in chapter 554, article 9.~~

~~b. If the For a lien arises arising out of producing a crop, the contract producer must file the lien within forty five days after the lien becomes effective the day that the crop is first planted. In order to perfect the lien, the contract producer must file a financing statement in the office of the secretary of state as provided in section 554.9308. The contract producer must file a financing statement for the crop within forty-five days after the crop is first planted. 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 lien terminates one year after the crop is no longer under the authority of the contract producer. For purposes of this section, a crop is no longer under the authority of the contract producer when the crop or a warehouse receipt issued by a warehouse operator licensed under chapter 203C for grain from the crop is no longer under the custody or control of the contract producer. Section 554.9515 shall not apply to a financing statement perfecting the lien. The lien may be terminated by the contract producer who files a termination statement as provided in chapter 554, article 9.~~

2. ~~The statement must include all of the following:~~ The financing statement shall substantially meet the requirements of section 554.9502, subsection 1, and include all applicable information described in section 554.9516.

- ~~a. An estimate of the amount owed pursuant to the production contract.~~
- ~~b. The date when the livestock arrives at the contract livestock facility or the date when the crop was planted.~~
- ~~c. The estimated duration of the period when the commodity will be under the authority of the contract producer.~~
- ~~d. The name of the party to the production contract whose commodity is produced pursuant to the production contract.~~
- ~~e. The description of the location of the contract operation, by county and township.~~
- ~~f. The printed name and signature of the person filing the form.~~

3. Filing a financing statement as provided in this section satisfies all requirements for perfection of an agricultural lien as provided in chapter 554, article 9.

~~3. 4. a.~~ Except as provided in ~~chapter 581 this paragraph~~, a commodity production contract lien created that is perfected under this section 579B.3 and a lien preserved under this section ~~are~~ is superior to and shall have priority over a conflicting lien or security interest in the commodity, including a lien or security interest that was perfected prior to the ~~creation~~ perfection of the commodity production contract lien under this chapter. However, a commodity production contract lien shall not be superior to a veterinarian's lien created under chapter 581 that is perfected as an agricultural lien.

b. A commodity production contract lien that is effective but not perfected under this section has priority as provided in section 554.9322.

Approved April 4, 2001

CHAPTER 26

SCHOOL CURRICULUM AND TELECOMMUNICATIONS — SUPERVISION OF STUDENTS

H.F. 89

AN ACT relating to the supervision of curriculum received via the Iowa communications network.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 256.7, subsection 7, unnumbered paragraph 3, Code 2001, is amended to read as follows:

The rules shall provide that when the curriculum is taught by an appropriately licensed teacher at the location at which the telecommunications originates, the curriculum received at a remote site shall be under the supervision of a licensed teacher. The licensed teacher at the originating site may provide supervision of students at a remote site or the school district in which the remote site is located may provide for supervision at the remote site if the school district deems it necessary or if requested to do so by the licensed teacher at the originating site. For the purposes of this subsection, "supervision" means that the curriculum is monitored by a licensed teacher and the teacher is accessible to the students receiving the curriculum by means of telecommunications.

Approved April 5, 2001