

1.1 A bill for an act

1.2 relating to agriculture; allowing a temporary lien for livestock production inputs  
1.3 for 45 days following a mediation request; amending Minnesota Statutes 2008,  
1.4 sections 514.965, subdivision 2; 514.966, subdivision 6, by adding a subdivision.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2008, section 514.965, subdivision 2, is amended to read:

1.7 Subd. 2. **Agricultural lien.** "Agricultural lien" means an agricultural lien as defined  
1.8 in section 336.9-102(a)(5) and includes a veterinarian's lien, breeder's lien, livestock  
1.9 production input lien, temporary livestock production input lien, and feeder's lien under  
1.10 this section and section 514.966.

1.11 Sec. 2. Minnesota Statutes 2008, section 514.966, is amended by adding a subdivision  
1.12 to read:

1.13 Subd. 3a. **Temporary livestock production input lien; debtor in mediation.** (a)  
1.14 A supplier furnishing livestock production inputs in the ordinary course of business to a  
1.15 debtor who has filed a mediation request under chapter 583 has a livestock production  
1.16 input lien for the unpaid retail cost of the livestock production input. A perfected livestock  
1.17 production input lien that attaches to livestock may not exceed the amount, if any, that the  
1.18 sales price of the livestock for which the inputs were received exceeds the greater of the  
1.19 fair market value of the livestock at the time the lien attaches or the acquisition price of  
1.20 the livestock. A livestock production input lien becomes effective when the agricultural  
1.21 production inputs are furnished by the supplier to the purchaser.

2.1 (b) A temporary livestock production input lien under this subdivision applies to  
2.2 livestock production inputs provided that meet the needs of the debtor's livestock during  
2.3 the 45 days following a mediation request under chapter 583.

2.4 (c) A person who supplies livestock production inputs under this subdivision shall  
2.5 provide a lien-notification statement as required under subdivision 3, paragraphs (b)  
2.6 and (c), but is not subject to subdivision 3, paragraphs (d) to (f). A perfected temporary  
2.7 livestock production input lien corresponding to the lien-notification statement has priority  
2.8 over any security interest of the lender in the same livestock or their proceeds for the  
2.9 lesser of:

2.10 (1) the amount stated in the lien-notification statement; or

2.11 (2) the unpaid retail cost of the livestock production input identified in the  
2.12 lien-notification statement, subject to any limitation in paragraph (a).

2.13 Sec. 3. Minnesota Statutes 2008, section 514.966, subdivision 6, is amended to read:

2.14 Subd. 6. **Perfection.** (a) An agricultural lien under this section is perfected if a  
2.15 financing statement is filed pursuant to sections 336.9-501 to 336.9-530 and within the  
2.16 time periods set forth in paragraphs (b) to (e).

2.17 (b) A veterinarian's lien must be perfected on or before 180 days after the last item  
2.18 of the veterinary service is performed.

2.19 (c) A breeder's lien must be perfected by six months after the last date that breeding  
2.20 services are provided the obligor.

2.21 (d) Except as provided in paragraph (f), a livestock production input lien must be  
2.22 perfected by six months after the last date that livestock production inputs are furnished  
2.23 the obligor.

2.24 (e) A feeder's lien must be perfected on or before 60 days after the last date that  
2.25 feeding services are furnished the obligor.

2.26 (f) A temporary livestock production input lien, under subdivision 3a, must be  
2.27 perfected on or before 60 days after the last date that livestock production inputs are  
2.28 furnished the obligor.