

CHAPTER 514

LIENS; LABOR, MATERIAL

514.03 Extent and amount of lien.
 514.952 Notification; lien-notification statement; effect of notification.

514.954 Lien attachment.
 514.956 Perfection of lien; filing.

514.03 EXTENT AND AMOUNT OF LIEN.

[For text of subds 1 and 2, see M.S.1984]

Subd. 3. The lien shall extend to all the interest and title of the owner in and to the premises improved, not exceeding 80 acres, except in the case of homesteaded agricultural land as used in section 273.13, subdivision 23, where the lien shall be limited to 40 acres.

History: 1Sp1985 c 14 art 4 s 96

514.952 NOTIFICATION; LIEN-NOTIFICATION STATEMENT; EFFECT OF NOTIFICATION.

[For text of subd 1, see M.S.1984]

Subd. 2. **Lien-notification statement.** The lien-notification statement must be in a form approved by the secretary of state and disclose the following:

- (1) the name and business address of the lender that is to receive notification;
- (2) the name and address of the supplier claiming the lien;
- (3) a description and the date or anticipated date or dates of the transaction and the retail cost or anticipated costs of the agricultural production input;
- (4) the name, residential address, and signature of the person to whom the agricultural production input was furnished;
- (5) the name and residential address of the owner and a description of the real estate where the crops to which the lien attaches are growing or are to be grown; or for a lien attaching to livestock, the name and residential address of the owner of the livestock, the location where the livestock will be raised, and a description of the livestock; and

(6) a statement that products and proceeds of the crops or livestock are covered by the agricultural input lien.

Subd. 3. **Response of lender to notification.** (a) Within ten calendar days after receiving a lien-notification statement, the lender must respond to the supplier with either:

- (1) a letter of commitment for part or all of the amount in the lien-notification statement; or
 - (2) a written refusal to issue a letter of commitment.
- (b) A copy of the response must be mailed to the person for whom the financing was requested.

Subd. 4. **Effect of response.** (a) If a lender responds with a letter of commitment for part or all of the amount in the lien-notification statement, the supplier may not obtain a lien for the amount stated in the letter of commitment.

(b) If a lender responds with a refusal to provide a letter of commitment the rights of the lender and the supplier are not affected.

Subd. 5. **Effect of no response.** If a lender does not respond under subdivision 3 to the supplier within ten calendar days after receiving the lien-notification statement, a perfected agricultural production input lien corresponding to the lien-notification statement has priority over any security interest of the lender in the same crops or livestock or their proceeds for the lesser of:

- (1) the amount stated in the lien-notification statement;
- (2) the unpaid retail cost of the agricultural production input identified in the lien-notification statement; or
- (3) for livestock any limitation in section 514.954, subdivision 2.

[For text of subd 6, see M.S.1984]

History: 1985 c 246 s 1-4

514.954 LIEN ATTACHMENT.

Subdivision 1. **Lien on crops.** A supplier who furnishes crop production inputs has an agricultural input lien for the unpaid retail cost of the crop production inputs. The lien attaches to: (1) the existing crops upon the land where a furnished agricultural chemical was applied, or if crops are not planted, to the next production crop within 16 months following the last date on which the agricultural chemical was applied; (2) the crops produced from furnished seed; or (3) the crops produced, harvested, or processed using a furnished petroleum product. If the crops are grown on leased land and the lease provides for payment in crops, the lien does not attach to the lessor's portion of the crops. The lien continues in crop products and proceeds.

[For text of subds 2 and 3, see M.S.1984]

History: 1985 c 246 s 5

514.956 PERFECTION OF LIEN; FILING.

[For text of subds 1 and 2, see M.S.1984]

Subd. 3. **Duties of filing officer.** The filing officer shall enter on the lien-notification statement the time of day and date of filing. The filing officer shall file, amend, terminate, note the filing of a lien-notification statement, and charge the fee for filing under this section in the manner provided by section 336.9-403 for a financing statement. A lien-notification statement is void and may be removed from the filing system 18 months after the date of filing. The lien-notification statement may be physically destroyed after 30 months from the date of filing.

Subd. 4. **Rules.** The secretary of state shall adopt rules for the filing, amending, termination, and removal of lien-notification statements.

History: 1985 c 246 s 6,7