

SENATE BILL NO. 339

INTRODUCED BY F. MOORE

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A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE FERTILIZER AND PESTICIDE LIEN LAWS; ESTABLISHING AN EXCEPTION TO THE PRIORITY OF CERTAIN LIENS; AMENDING SECTION 71-3-904, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN APPLICABILITY DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 71-3-904, MCA, is amended to read:

"71-3-904. Priority. (1) The Except as provided in subsections (2) and (3), the lien for labor or services performed or material furnished as specified in this part shall be is prior to and have has precedence over any mortgage, encumbrance, or other lien upon said the grain or crops, except the.

(2) A lien for seed, hail insurance, threshing, labor, and warehouse services furnished for the purpose of growing or handling the particular grain or crops is prior to and has precedence over a lien arising under this part.

(3) If a secured party is holding a perfected security interest obtained under Title 30, chapter 9A, in grain or crops whose security interest was perfected prior to the filing of a lien arising under this part, then a lien arising under this part:

(a) has priority and precedence up to an amount of \$50,000 over a perfected security interest obtained under Title 30, chapter 9A, in grain or crops; and

(b) any amount in excess of \$50,000 is considered junior and subordinate to the perfected security interest obtained under Title 30, chapter 9A, in grain or crops."

NEW SECTION. Section 2. Effective date. [This act] is effective on passage and approval.

NEW SECTION. Section 3. Applicability. [This act] applies to liens pursuant to 71-3-904 that are filed on or after [the effective date of this act].

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