



## 2025 South Dakota Legislature

# House Bill 1083

### HOUSE AGRICULTURE AND NATURAL RESOURCES ENGROSSED

This bill has been extensively amended (hoghoused) and may no longer be consistent with the original intention of the sponsor.

Introduced by: **Representative** Greenfield

1 **An Act to modify the requirements for obtaining an agricultural processor's lien.**

2 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

3 **Section 1. That § 38-17-14 be AMENDED:**

4 **38-17-14.** Any person owning and operating farm machinery to process a crop  
 5 has a lien from the date of operation on all grain threshed or combined, corn shelled,  
 6 husked or shredded, silage cut, seeds hulled, or agricultural products baled, mowed,  
 7 ground, raked, or pulverized by the person ~~with the machine~~ for the value of the these  
 8 ~~services so rendered in operation.~~

9 **Section 2. That § 38-17-15 be AMENDED:**

10 **38-17-15.** Any person entitled to a lien under § 38-17-14 shall ~~provide a written~~  
 11 ~~account stating the kind of grain, and the quantity harvested, threshed, shelled, or~~  
 12 ~~otherwise processed, the price agreed upon for such work, which may not exceed the price~~  
 13 ~~usually charged for the service, the name of the person for whom the work was done, and~~  
 14 ~~a description of the land on which the crop was grown.~~ perfect the lien as provided in  
 15 chapter 57A-9. Any financing statement filed to perfect the lien must contain or have  
 16 attached to it the following information:

- 17 (1) The name and address of the owner or operator claiming the lien;  
 18 (2) The name and address of the person for whom a service specified in § 38-17-14  
 19 was performed;  
 20 (3) The amount due for the service of threshing, combining, shelling, husking,  
 21 shredding, cutting, hulling, baling, mowing, grinding, raking, pulverizing, or other  
 22 processing;  
 23 (4) The amount of grain, seed, hay, silage, or other agricultural product covered by  
 24 the lien;

(5) The place where the grain, seed, hay, silage, or other agricultural product is located; and

(6) The date on which the service was performed.

After making oath to the correctness of the ~~account statement~~, the person shall file the ~~account in the office of the register of deeds in the county in which the land producing the crop is located, and also in the county of the residence of the person who produced the crop, if the person is a resident of this state. The office of the register of deeds shall file and enter the account in the manner required by law in the personal property index statement~~ electronically with the secretary of state. The filing serves as notice to all purchasers and encumbrancers subsequent to the date of the filing.

To perfect the lien, the financing statement must be filed within thirty days of the date the threshing or other processing was finished. At the time the lien is filed, the lienholder shall provide a copy to the person for whom the work was done.

**Section 3. That a NEW SECTION be added to chapter 38-17:**

If the person for whom the processing pursuant to § 38-17-14 was done desires to sell or deliver the grain, seed, hay, silage, or other agricultural product, the person must notify the consignee or purchaser that the bill for the threshing, combining, shelling, husking, shredding, cutting, hulling, baling, mowing, grinding, raking, pulverizing, or other processing has not been paid, and the lien created under § 38-17-14 applies to the purchase price paid by the purchaser or consignee.

If the grain or other agricultural product covered by the lien pursuant to § 38-17-14 is sold or consigned with the consent or knowledge of the person entitled to a lien, within thirty days after the date of the harvesting or other processing, the lien does not attach to the grain or other agricultural product covered by the lien pursuant to § 38-17-14, or to the purchase price, unless the person entitled to the lien notifies the purchaser in writing of the lien.

**Section 4. That § 38-17-16 be AMENDED:**

**38-17-16.** Any lien under § 38-17-14 has priority over all other liens and encumbrances upon the grain threshed or combined, corn shelled, husked or shredded, silage cut, seeds hulled, or agricultural products baled, mowed, ground, raked, or pulverized, if filed within thirty days from the day on which the harvesting, threshing, shelling, or other processing was completed.

1           A lien created under this Act must be treated as an agricultural lien as provided in  
2           chapter 57A-9 and may be enforced in the manner and form provided for enforcement of  
3           secured transactions.

4           The fee for filing, amending, or releasing the lien is as set forth in § 57A-9-525.

5    **Section 5. That § 38-17-19 be AMENDED:**

6           **38-17-19.** Any person having a lien under the provisions of §§ 38-17-3 to 38-17-  
7           18, inclusive, may foreclose the same under the provisions of chapter ~~21-53~~ or under the  
8           ~~provisions of chapter 21-54, subject to the right of any person adversely interested to~~  
9           ~~require foreclosure under the provisions of chapter 21-53~~ 57A-9.

10   **Section 6.** This Act is effective beginning January 1, 2027.