

HOUSE BILL NO. 1112

Introduced by

Industry, Business and Labor Committee

(At the request of Job Service North Dakota)

1 A BILL for an Act to amend and reenact subsection 2 of section 52-04-12 of the North Dakota
2 Century Code, relating to use of liens to collect contributions owed to job service North Dakota.

3 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

4 **SECTION 1. AMENDMENT.** Subsection 2 of section 52-04-12 of the North Dakota Century
5 Code is amended and reenacted as follows:

6 2. Whenever any employer, liable to pay contributions, interest, or penalty, fails to pay,
7 the amount of contributions, interest, penalty, and costs that accrue is a lien in favor of
8 the state upon all property and all rights to property belonging to the employer. The
9 lien attaches at the time the contributions, interest, or penalty becomes due, and
10 continues until the liability is satisfied. To preserve the lien against subsequent
11 mortgages, purchasers for value and without notice of the lien, judgment creditors, and
12 lienholders, job service North Dakota shall file with a notice of lien utilizing one of these
13 methods:

14 a. In the central indexing system maintained by the secretary of state. Job service
15 North Dakota shall index in the central indexing system the following data:

- 16 (1) The name of the employer.
17 (2) The name "job service North Dakota" as claimant.
18 (3) The date and time the notice of lien was indexed.
19 (4) The amount of the lien.

20 The notice of lien is effective as of eight a.m. following the indexing of the notice. Job
21 service North Dakota shall index any notice of lien without payment of a fee or cost to
22 the secretary of state. Upon payment of contributions, interest, penalty, and costs, job
23 service North Dakota shall index a satisfaction of the lien in the central indexing
24 system without fees or costs.

1 **b.** With the recorder, in the county in which the property is located, a notice of the
2 lien. The lien is effective from the time of filing of the notice. The recorder shall
3 preserve the notice and endorse on it the day, hour, and minute when it was
4 received. The recorder shall index the notice of lien in an appropriate index
5 record and record the notice of lien in the manner provided for recording real
6 estate mortgages. The recorder shall accept the notice of lien for filing without
7 payment of a fee by job service North Dakota. Upon payment of the
8 contributions, interest, penalty, and costs, job service North Dakota shall file with
9 the recorder a satisfaction of the lien. The recorder shall enter the satisfaction on
10 the notice of lien, index the satisfaction in an appropriate index record, and
11 record the satisfaction in the manner provided for recording satisfactions of real
12 estate mortgages. The recorder shall accept the satisfaction for filing without
13 payment of a fee by job service North Dakota. ~~The~~
14 In either method, the attorney general, upon request of job service North Dakota, may
15 bring suit without bond, to foreclose the lien.