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1 A bill to be entitled
2 An act relating to liens; creating s. 713.656,
3 F.S.; providing for liens for bulk feed;
4 providing definitions; providing for a lien for
5 distributors registered under s. 580.041, F.S.,
6 of the Florida Commercial Feed Law who furnish
7 bulk feed for the unpaid portion of such bulk
8 feed; providing an exception; requiring feeders
9 to obtain a "feed bond" of not less than
10 \$25,000; providing a presumption; providing for
11 the term of the lien; providing for perfection
12 of the lien; providing for notice; requiring
13 the clerk of the circuit court to file a claim
14 of lien and charge a fee therefor; providing
15 for a termination statement upon the
16 satisfaction of the lien; providing an
17 effective date.

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19 Be It Enacted by the Legislature of the State of Florida:

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21 Section 1. Section 713.656, Florida Statutes, is
22 created to read:

23 713.656 Liens for bulk feed, etc., furnished for
24 animals and livestock.--

25 (1) For purposes of this section, the term:

26 (a) "Livestock" means beef cattle, dairy cattle,
27 horses, sheep, goats, swine, poultry, and ratites.

28 (b) "Cooperative" means a cooperative as defined in s.
29 580.031(2).

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1 (c) "Proceeds" means the amounts received by a lien
2 debtor, before a deduction for taxes, fees, or assessments or
3 a deduction made under a court order, from the sale of:
4 1. The livestock for which the animal feed was used;
5 2. Meat, milk, skins, wool, or other products derived
6 from that livestock; or
7 3. Issue born to females of that livestock;
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9 but does not include amounts due or owing to a cooperative or
10 retained by a cooperative.
11 (d) "Feeder" means a person who for compensation feeds
12 commercial feed to livestock which is owned in whole or in
13 part by another.
14 (e) "Bulk feed" means commercial feed or feedstuff as
15 defined in chapter 580 which is sold in lots of not less than
16 1 ton.
17 (2) A lien is granted in favor of a distributor
18 registered pursuant to s. 580.041 who furnishes bulk feed as
19 defined in chapter 580 for the unpaid portion of the price of
20 the bulk feed upon any livestock that consume the bulk feed
21 and upon the proceeds of the livestock.
22 (3) All livestock that are accustomed to consume bulk
23 feed of the type delivered and which are at the time of the
24 delivery of the bulk feed upon the premises to which the
25 delivery is made are determined prima facie to have consumed
26 the bulk feed.
27 (4) The lien shall not attach for bulk feed which is
28 found to violate the provisions of s. 580.131, provided the
29 lien debtor notifies the feed distributor in writing within 10
30 days after delivery of the feed that the feed has been or will
31 be tested by a certified laboratory to determine compliance

1 with s. 580.131. The certified laboratory results shall be
2 completed and provided to the feed distributor within 30 days
3 after the notice. If the laboratory results indicate that the
4 feed was in compliance with s. 580.131, the lien shall attach.

5 (5) In the case of livestock being fed by a feeder as
6 defined herein, the feeder shall provide a "feed bond" of not
7 less than \$25,000 to cover the cost of bulk feed. The lien
8 granted pursuant to this section shall attach to the bond and
9 not to the livestock.

10 (6) The lien granted pursuant to this section shall
11 remain valid and enforceable for a period of 1 year from the
12 date of the delivery of such bulk feed. The lien shall be
13 enforced in the manner provided for in this part and part V of
14 chapter 679, except that s. 679.503 shall not apply.

15 (7) The liens granted pursuant to this section shall
16 be perfected upon filing a notice of lien with the clerk of
17 the circuit court as provided in s. 679.401. A lien so
18 perfected shall be superior in priority only to those claims,
19 liens, and security interests that are unperfected or that are
20 perfected subsequent to the time that the notice of claim of
21 lien is filed with the clerk of the circuit court for the
22 county to which the bulk feed is delivered.

23 (8) A person claiming a lien under this chapter must
24 have provided notice of the provisions of this chapter, before
25 or at the time of purchase, either generally to purchasers of
26 animal feed as part of the lien claimant's normal business
27 practices or specifically to the lien debtor. Notice provided
28 under this subsection must read, to the extent applicable,
29 substantially as follows: "The sale of animal feed on credit
30 is subject to s. 713.656, F.S. Failure to pay the agreed-upon
31 or reasonable charges for the feed may result in the

1 attachment of a lien to livestock or the proceeds of the
2 livestock for which the feed is used or the proceeds of the
3 animal products produced from the livestock." A potential
4 lien claimant may satisfy the requirements of this subsection:
5 (a) By printing or stamping the notice on credit
6 applications filled out by purchasers; or
7 (b) For future purchases by purchasers who are not
8 notified on the credit application by printing or stamping the
9 notice on an invoice or on a statement sent by separate cover.
10 (9) The notice of claim of lien must be filed on a
11 form that satisfies the requirements of a financing statement
12 under s. 679.402, except that:
13 (a) The lien claimant may be identified either as a
14 lien claimant or as a secured party;
15 (b) The form must be signed by the lien claimant but
16 is not required to be signed by the lien debtor; and
17 (c) The location and type of livestock must be entered
18 in the space for the description of the collateral, along with
19 the date or dates of the respective deliveries of bulk feed
20 for which a person claiming a lien under this section is
21 unpaid.
22 (10)(a) The clerk of the circuit court shall note the
23 date and time of filing and shall index such notices of claim
24 of lien with financing statements filed in accordance with s.
25 679.402. The clerk of the circuit court shall charge a fee
26 for such filing as provided in s. 679.4011 and chapter 28.
27 (b) Within 30 days after the satisfaction of a
28 perfected lien under this section or within 10 days after
29 written demand of the debtor made after the satisfaction of a
30 perfected lien under this section, the lien claimant shall
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1 file with the clerk of the circuit court a termination
2 statement in the form and for the fee provided in s. 679.404.

3 Section 2. This act shall take effect October 1, 1997.

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6 SENATE SUMMARY

7 Provides a lien in favor of a distributor that furnishes
8 bulk feed for livestock for the unpaid portion of the
9 price of the bulk feed, upon livestock that consume the
10 bulk feed, and upon the proceeds of the livestock.
11 Provides definitions. Such a lien does not attach for
12 bulk feed that is determined by a certified laboratory to
13 violate s. 580.131, F.S. Requires a feeder to obtain a
14 "feed bond" of not less than \$25,000. Requires a person
15 claiming such lien to provide as a normal business
16 practice notice of the provisions of ch. 713, F.S., to
17 purchasers of animal feed. Specifies language for such
18 notice. Prescribes the term of the lien and procedures
19 for the perfection of the lien. Requires the clerk of the
20 circuit court to record a claim of lien and to charge a
21 fee for services provided. Requires the lien claimant to
22 file with the clerk a termination statement upon
23 satisfaction of the lien. The form of the statement and
24 the fees to be charged are as provided in s. 679.404,
25 F.S.

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