

HOUSE BILL REPORT

SSB 5487

As Reported By House Committee On:
Agriculture & Rural Development

Title: An act relating to agister liens.

Brief Description: Changing provisions regarding agister liens.

Sponsors: Senate Committee on Agriculture (originally sponsored by Senators Bauer, Barr, M. Rasmussen, Snyder, Gaspard, Vognild, Newhouse, Drew, Sutherland, Quigley, Hochstatter and Loveland).

Brief History:

Reported by House Committee on:
Agriculture & Rural Development, March 25, 1993, DP.

HOUSE COMMITTEE ON AGRICULTURE & RURAL DEVELOPMENT

Majority Report: Do pass. Signed by 10 members: Representatives Rayburn, Chair; Kremen, Vice Chair; Chandler, Ranking Minority Member; Schoesler, Assistant Ranking Minority Member; Chappell; Foreman; Grant; Karahalios; Lisk; and Roland.

Staff: Kenneth Hirst (786-7105).

Background: A person with whom horses, mules, cattle, or sheep have been entrusted for feeding, herding, pasturing, training, or care has a lien for these services on the animals and the proceeds or accounts receivable from the animals. The lien, called an agister lien, attaches on the date the amounts for the services are due but are unpaid. The lien is perfected by providing notice to buyers of or commission merchants for the animals to which the lien is attached. The agister may hold the animals until the amount of the lien is paid or the lien expires, whichever occurs first. The lien expires 60 days after it attaches unless an action to enforce it is filed within that period.

Summary of Bill: The notice required to perfect an agister lien is altered. The lien is perfected by: posting notice of the lien in a conspicuous location on the premises where the agister is holding the animal to which the lien is attached; providing a copy of the notice to the owner of the

animal; and, if the lien is in excess of \$1,500, providing a copy of the notice to any lien creditor.

The party subject to an agister lien must notify the lien holder of a potential sale of the animal. The party must also: notify a potential buyer of the existence of an unsatisfied lien against the animal; and notify a lien holder of record regarding the potential sale of the animal and the existence of the unsatisfied lien. If a person is injured by a violation of these requirements, the person may bring a civil action in a court of jurisdiction to recover the actual damages sustained together with any costs associated with satisfaction of the lien, including attorney fees. The court may award damages of up to three times the actual damages sustained and a civil fine of not more than \$1,000 to be paid to the plaintiff.

An agister lien may, at the agister's option, be enforced through the use of the summary foreclosure proceedings provided by current law for personal property liens as an option to enforcement through a court proceeding.

An agister lien expires 180 days after it attaches, rather than 60 days as under current law, unless an action to enforce it is filed within that period.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: The bill has been well worked by the affected parties.

Testimony Against: None.

Witnesses: Dan Coyne, Washington State Dairy Federation (in favor).