

WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1937



ENROLLED

SENATE BILL No. 326

(By Mr. Haines.)



PASSED March 12<sup>th</sup> 1937

In Effect from Passage

326

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**Senate Bill No. 326**

(By MR. HAINES)

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[Passed March 12, 1937; in effect from passage.]

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AN ACT to amend and reenact sections one, four and seven, chapter one, acts of the Legislature of West Virginia, regular session, one thousand nine hundred thirty-five, and section one, chapter three of said acts, relating to deeds of trust for agricultural loans.

*Be it enacted by the Legislature of West Virginia:*

That sections one, four and seven, chapter one, and section one, chapter three, acts of the Legislature of West Virginia, regular session, one thousand nine hundred thirty-five, be amended and reenacted to read as follows:

**CHAPTER 1**

Section 1. Any person may enter into an agreement with,  
2 and borrow funds from, a production credit association  
3 organized under the farm credit act of one thousand nine  
4 hundred thirty-three, a regional agricultural credit corpo-  
5 ration, the reconstruction finance corporation, or the  
6a government of the United States or any department,  
6 agency, instrumentality or officer thereof, a federal inter-  
7 mediate credit bank, or any institution which has made  
8 arrangements to discount therewith, or to procure funds  
9 therefrom on the security of, the obligations of the borrower,  
10 and any cooperative association or corporation composed of  
11 agricultural producers and/or purchasers may enter into an  
12 agreement with, and borrow from, any bank for cooperatives  
13 organized under said farm credit act of one thousand nine  
14 hundred thirty-three and/or from any federal intermediate  
15 credit bank, and/or from the government of the United  
16 States or any department, agency, instrumentality or officer  
17 thereof, and the repayment of any funds so borrowed,  
18 and/or of any then existing indebtedness to any such in-  
19 stitution may be secured by chattel deed of trust upon

20 personal property of any kind, character or description  
21 owned at the time of the execution of the chattel deed of  
22 trust, or property of the same class as is covered by the  
23 chattel deed of trust or mortgage if acquired by the grantor  
24 subsequent to the execution of the chattel deed of trust,  
25 and prior to its extinguishment, or upon any crop or crops,  
26 annual or perennial including fruit crops, grown or grow-  
27 ing, either already planted or to be planted and/or matur-  
28 ing within one year from the execution of such chattel deed  
29 of trust. Such chattel deed of trust shall be a lien upon  
30 the property therein described from the time of the docket-  
31 ing of such chattel deed of trust as provided for herein,  
32 which lien shall be good and valid against, and superior  
33 to all rights of subsequent creditors, purchasers, mortgagees,  
34 and other lienors and encumbrancers, and any of them. For  
35 the purpose of this article, all such property shall be deemed  
36 to be personal property and encumberable and mortgageable  
37 as such.

Sec. 4. Such chattel deed of trust may include replace-  
2 ments or exchanges of any of the encumbered property  
3 therein described and all increase of animals and livestock

4 of all kinds. No chattel deed of trust of livestock and/or  
5 hay, grain or other foodstuffs shall be invalid in any par-  
6 ticular because provision is contained therein, or the bene-  
7 ficiary consents, (a) that the grantor may use and consume  
8 food, forage and fodder crops in preserving and preparing  
9 for market the livestock covered thereby; or (b) that the  
10 grantor may sell a portion of the property to meet farm-  
11 ing or harvesting expenses; or (c) that the grantor may  
12 use or sell a portion of the property to meet subsistence  
13 or emergency needs of himself and his family; or (d) that  
14 the grantor may use or sell a portion of the property to  
15 preserve the remainder from deterioration or spoilage.

Sec. 7. The county court clerks are entitled to receive  
2 a fee of fifty cents for the docketing and entering of chattel  
3 deed of trust filed and docketed under and pursuant to this  
4 chapter, and a fee of twenty-five cents for each assignment  
5 and each release filed and indexed pursuant to this article:  
6 *Provided*, That the fee of twenty-five cents for release shall  
7 be paid by the grantor of the chattel deed of trust released.

### CHAPTER 3

Section 1. Any cooperative association or corporation,

2 organized under the laws of this state, or under the laws  
3 of the United States, or qualified to do business in this state,  
4 and qualified as a cooperative association under the laws  
5 of this state and/or under the laws of the United States,  
6 may give as security for any loan or loans obtained from  
7 any bank for cooperatives, organized under the act of con-  
8 gress known as the "Farm Credit Act" of one thousand  
9 nine hundred thirty-three, or for any loan or loans obtained  
10 from any federal intermediate credit bank, organized under  
11 an act of congress known as the "Agricultural Credits Act"  
12 of one thousand nine hundred twenty-three, or for any loan  
13 or loans obtained from the government of the United States  
14 or any department, agency, instrumentality or officer thereof,  
15 a chattel mortgage or deed of trust covering stocks of  
16 goods or inventories, or other things in bulk, but changing  
17 in specifics, in which case the lien of such mortgage or deed  
18 of trust shall be lost as to all articles disposed of by the  
19 mortgagor prior to the extinguishment of such mortgage,  
20 but shall attach to any articles purchased to supply their  
21 places.

The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

*Car. H. G. Smith*  
Chairman Senate Committee

*Wm. S. O'Brien*  
Chairman House Committee

Originated in the.....

Takes effect.....passage.

*Chas. E. Hodge*  
Clerk of the Senate

*Wm. S. O'Brien*  
Clerk of the House of Delegates

*Chas. E. Hodge*  
President of the Senate

*J. R. Thomas*  
Speaker House of Delegates

The within.....this the.....

day of....., 1937.

.....  
Governor

JARRETT PRINTING COMPANY, CHARLESTON, W. VA.



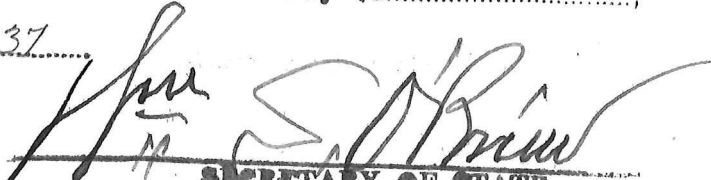
Filed in the office of the Secretary of State  
of West Virginia. MAR 19 1937

Wm. S. O'BRIEN,  
Secretary of State

I certify that the foregoing act, having been presented to the Governor for his approval, and not having been returned by him to the House of the Legislature in which it originated within the time prescribed by the constitution of the state, has become a law without his approval.

This the 19<sup>th</sup> day of March,

1937

  
SECRETARY OF STATE