

HOUSE BILL NO. HB0243

Perfection of security interest-required information.

Sponsored by: Representative(s) Henderson

A BILL

for

1 AN ACT relating to motor vehicles; removing the requirement
2 for use of a security agreement to perfect a security
3 interest in a vehicle or motor vehicle; making conforming
4 amendments; and providing for an effective date.

5

6 *Be It Enacted by the Legislature of the State of Wyoming:*

7

8 **Section 1.** W.S. 31-2-801(a)(i), (c) and (g) is
9 amended to read:

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11 **31-2-801. Perfection of a security interest in a**
12 **vehicle or motor vehicle.**

13

14 (a) Perfection of a security interest in a vehicle or
15 motor vehicle required to be titled as hereinafter defined

1 shall occur upon delivery of the following to the office of
2 the county clerk in which the vehicle is located:

3

4 (i) A financing statement; ~~or security~~
5 ~~agreement;~~ and

6

7 (c) Each owner of a vehicle or motor vehicle
8 concerning which an original or substitute certificate of
9 title has been issued who encumbers the title thereto,
10 shall deliver the certificate to the holder of the security
11 interest who, within five (5) days thereafter, shall
12 deliver the certificate to the clerk of the county in which
13 the vehicle is located, and the clerk shall then endorse on
14 the face of the certificate appropriate notation showing
15 the date and amount of the security interest, and the name
16 of the secured party. If the clerk issued the certificate,
17 he shall immediately endorse the same security interest
18 data on the certificate copy on file in his office. If the
19 certificate was issued in some other county or state, he
20 shall promptly transmit to the state or county officer who
21 issued the certificate the same security interest data and
22 the other officer shall promptly endorse same on the
23 certificate copy on file in his office. Every financing

1 statement ~~or security agreement~~ delivered pursuant to the
2 provisions of this subsection shall take effect and be in
3 force from and after the time the secured party delivers a
4 properly tendered, complete application for a certificate
5 of title issued pursuant to W.S. 31-2-103 and the financing
6 statement ~~or security agreement~~ to the office of the county
7 clerk of the county in which the vehicle is located and not
8 before, as to all creditors, subsequent purchasers and
9 holders of a security interest in good faith for valuable
10 consideration and without notice.

11

12 (g) When the certificate of title to the vehicle or
13 motor vehicle is not available for perfection under
14 subsection (a) of this section, a "transitional ownership
15 document", on a form prescribed by the department of
16 transportation, may be delivered with the financing
17 statement ~~or security agreement~~ and the fee as specified in
18 W.S. 18-3-402(a)(xvi)(T) to enable a security interest to
19 be perfected in a timely manner. The transitional ownership
20 document serves to perfect a lien upon receipt by the
21 county clerk as to all creditors, subsequent purchasers and
22 holders of a security interest in good faith for valuable
23 consideration and without notice. No endorsement on the

1 transitional ownership document is required to perfect the
2 security interest. Within ninety (90) days from the date of
3 the financing statement, ~~or security agreement,~~ the
4 certificate of title shall be filed along with a five
5 dollar (\$5.00) fee with the county clerk. If the
6 certificate of title is not timely filed, the transitional
7 ownership document is invalid, without force and effect.

8

9 **Section 2.** This act is effective July 1, 2023.

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11

(END)