

SENATE FILE NO. SF0028

Motor vehicles-security interest perfection.

Sponsored by: Joint Corporations, Elections & Political
Subdivisions Interim Committee

A BILL

for

1 AN ACT relating to motor vehicles; modifying requirements
2 for perfection of a security interest; and providing for an
3 effective date.

4

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

6

7 **Section 1.** W.S. 31-2-801(a), by amending and
8 renumbering (b) as (c), by renumbering (c) and (d) as (d)
9 and (f) and by amending and renumbering (f) as (g) is
10 amended to read:

11

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

14

1 (a) ~~Two (2) steps are required for~~ Perfection of a
2 security interest in a vehicle or motor vehicle required to
3 be ~~licensed-titled~~ as hereinafter defined shall occur upon
4 delivery of the following to the office of the county clerk
5 in which the vehicle is located:

6
7 (i) A financing statement or security agreement i
8 ~~must be filed in the office of the county clerk of the~~
9 ~~county in which the vehicle is located;~~ and

10
11 (ii) A properly tendered, completed application
12 for certificate of title along with the valid title of
13 record issued pursuant to W.S. 31-2-103.

14
15 ~~(ii)(b) A notation of the security interest must be~~
16 ~~endorsed on~~ Upon receiving the information required under
17 subsection (a) of this section, the county clerk shall
18 endorse the certificate of title to the vehicle or motor
19 vehicle, ~~the endorsement to be made concurrently with the~~
20 ~~filing of the financing statement or security agreement~~
21 with the lien information, including the month, day and
22 year it was delivered to the county clerk.

23

1 ~~(b)~~(c) Each owner of a vehicle or motor vehicle
2 concerning which an original or substitute certificate of
3 title has been issued who encumbers the title thereto,
4 shall deliver the certificate to the holder of the security
5 interest who, within five (5) days thereafter, shall
6 deliver the certificate to the clerk of the county in which
7 the vehicle is located, and the clerk shall then endorse on
8 the face of the certificate appropriate notation showing
9 the date and amount of the security interest, and the name
10 of the secured party. If ~~such—the~~ clerk issued the
11 certificate, he shall immediately endorse the same security
12 interest data on the certificate copy on file in his
13 office. If the certificate was issued in some other county
14 or state, he shall promptly transmit to the state or county
15 officer who issued the certificate the same security
16 interest data and ~~such—the~~ other officer shall promptly
17 endorse same on the certificate copy on file in his office.
18 Every financing statement or security agreement ~~when—filed~~
19 ~~delivered~~ pursuant to the provisions of this subsection
20 shall take effect and be in force from and after the time
21 ~~of—filing—the secured party delivers a properly tendered,~~
22 ~~complete application for a certificate of title issued~~
23 ~~pursuant to W.S. 31-2-103 and the financing statement or~~

1 security agreement to the office of the county clerk of the
2 county in which the vehicle is located and not before, as
3 to all creditors, subsequent purchasers, and holders of a
4 security interest in good faith for valuable consideration
5 and without notice.

6

7 ~~(e)~~(d) When a termination statement has been filed
8 pursuant to W.S. 34.1-9-513, the owner of the motor vehicle
9 shall present the certificate of title to the county clerk
10 in whose office the financing statement has been filed, and
11 the county clerk shall endorse a statement of the
12 termination of the security interest on the face of the
13 certificate. If the clerk issued the certificate of title,
14 he shall endorse a like statement of termination of the
15 security interest on the certificate copy on file in his
16 office, but otherwise he shall promptly transmit to the
17 state or county officer who issued the certificate of title
18 the statement of termination for endorsement on the
19 certificate copy on file in his office.

20

21 ~~(d)~~(f) The term "vehicle or motor vehicle required to
22 be licensed" and the words "vehicle" and "motor vehicle" as
23 used in this section means and includes all vehicles, motor

1 vehicles, house trailers, trailers, semitrailers, motor
2 coaches, trailer coaches, trucks, motorcycles, multipurpose
3 vehicles and mobile homes required by the motor vehicle
4 laws of the state of Wyoming to have a certificate of title
5 or required to be registered or licensed under the laws of
6 this state and includes off-road recreational vehicles for
7 which a certificate of title has been issued under the laws
8 of this state.

9

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

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

7

8 **Section 2.** This act is effective July 1, 2021.

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(END)