

**DRAFT ONLY
NOT APPROVED FOR
INTRODUCTION**

HOUSE BILL NO.

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)(i), (ii), (b) and (f) is
8 amended to read:

9

10 **31-2-801. Perfection of a security interest in a**
11 **vehicle or motor vehicle.**

12

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 as hereinafter defined:

4

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

8

9 (ii) A notation of the security interest must be
10 endorsed on the certificate of title to the vehicle or
11 motor vehicle, the endorsement to be made ~~concurrently with~~
12 the filing as of the time of delivery of the financing
13 statement or security agreement.

14

15 (b) Each owner of a vehicle or motor vehicle
16 concerning which an original or substitute certificate of
17 title has been issued who encumbers the title thereto,
18 shall deliver the certificate to the holder of the security
19 interest who, within five (5) days thereafter, shall
20 deliver the certificate to the clerk of the county in which
21 the vehicle is located, and the clerk shall then endorse on
22 the face of the certificate appropriate notation showing
23 the date and amount of the security interest, and the name

1 of the secured party. If ~~such~~the clerk issued the
2 certificate, he shall immediately endorse the same security
3 interest data on the certificate copy on file in his
4 office. If the certificate was issued in some other county
5 or state, he shall promptly transmit to the state or county
6 officer who issued the certificate the same security
7 interest data and ~~such~~the other officer shall promptly
8 endorse same on the certificate copy on file in his office.
9 Every financing statement or security agreement when ~~filed~~
10 ~~delivered~~ pursuant to the provisions of this subsection
11 shall take effect and be in force from and after the time
12 ~~of filing~~the secured party delivers the financing
13 statement or security agreement to the office of the county
14 clerk of the county in which the vehicle is located and not
15 before, as to all creditors, subsequent purchasers, and
16 holders of a security interest in good faith for valuable
17 consideration and without notice.

18

19 (f) When the certificate of title to the vehicle or
20 motor vehicle is not available for perfection under
21 subsection (a) of this section, a "transitional ownership
22 document", on a form prescribed by the department of
23 transportation, may be ~~filed~~delivered with the financing

1 statement or security agreement and the fee as specified in
2 W.S. 18-3-402(a)(xvi)(T) to enable a security interest to
3 be perfected in a timely manner. The transitional ownership
4 document serves to perfect a lien upon the ~~date of filing~~
5 time the financing statement or security agreement and the
6 appropriate fee are delivered as to all creditors,
7 subsequent purchasers and holders of a security interest in
8 good faith for valuable consideration and without notice.
9 No endorsement on the transitional ownership document is
10 required to perfect the security interest. Within ninety
11 (90) days from the date of the financing statement or
12 security agreement, the certificate of title shall be filed
13 along with a five dollar (\$5.00) fee with the county clerk.
14 If the certificate of title is not timely filed, the
15 transitional ownership document is invalid, without force
16 and effect.

17

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

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20

(END)