

1 STATE OF OKLAHOMA

2 1st Session of the 59th Legislature (2023)

3 HOUSE BILL 1848

By: Kerbs

4  
5  
6 AS INTRODUCED

7 An Act relating to the Uniform Commercial Code;  
8 amending 12A O.S. 2021, Section 1-9-320.6, as amended  
9 by Section 1, Chapter 109, O.S.L. 2022 (12A O.S.  
10 Supp. 2022, Section 1-9-320.6) which relates to  
11 central filing system for farm products; requiring  
12 certain information related to identity of debtors;  
13 and providing an effective date.

14 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

15 SECTION 1. AMENDATORY 12A O.S. 2021, Section 1-9-320.6,  
16 as amended by Section 1, Chapter 109, O.S.L. 2022 (12A O.S. Supp.  
17 2022, Section 1-9-320.6), is amended to read as follows:

18 Section 1-9-320.6 CENTRAL FILING SYSTEM RELATING TO FARM  
19 PRODUCTS

20 (1) The Secretary of State shall be responsible for developing  
21 and implementing the central filing system. This responsibility  
22 shall include obtaining the necessary certification for the system  
23 from the United States Department of Agriculture ("USDA"). The  
24

1 effective date for the implementation of the central filing system  
2 was October 24, 1988.

3 (2) The Secretary of State may promulgate, in accordance with  
4 the applicable provisions of the Administrative Procedures Act,  
5 appropriate rules for the implementation and operation of the  
6 central filing system.

7 (3) The Office of Management and Enterprise Services shall  
8 assist the Secretary of State in developing and implementing the  
9 central filing system.

10 (4) The central filing system shall conform to the following  
11 requirements:

12 (a) The Secretary of State shall record the date and hour  
13 of the filing of each effective financing statement;

14 (b) The Secretary of State shall compile all effective  
15 financing statements into a master list:

16 (i) organized according to farm products;

17 (ii) arranged within each such product:

18 (A) in alphabetical order according to the last  
19 name of the individual debtors or, in the  
20 case of debtors doing business other than as  
21 individuals, the first word in the name of  
22 the debtors;

23 (B) in numerical order according to the Social  
24 Security number of the individual debtors

1 or, in the case of debtors doing business  
2 other than as individuals, the Internal  
3 Revenue Service taxpayer identification  
4 number of the debtors;

5 (C) geographically by county produced; and

6 (D) by crop year; and

7 (iii) containing the information provided for in  
8 subparagraph (iv) of paragraph (d) of Section 1-  
9 9-320.2 of this title;

10 (iv) portions of the master list shall be available in  
11 hard copy, electronic formats, or via Internet  
12 download, and may be organized by other sorting  
13 methods in addition to the methods listed above.  
14 The lien search database shall allow for the  
15 search of at least the last six (6) digits of a  
16 Social Security number or shall create a unique  
17 identifying number for individuals in the  
18 database.

19 (c) The Secretary of State shall maintain records of all  
20 buyers of farm products, commission merchants, selling  
21 agents and others who register with the Secretary of  
22 State, on a form containing:

23 (i) the name and address of each registrant;

24

1 (ii) the information on the farm product or products  
2 that the registrant is requesting;

3 (iii) the name of each county where the product is  
4 produced or to be produced, or a blanket code  
5 covering all seventy-seven (77) counties of this  
6 state; and

7 (iv) an authorized signature.

8 (d) (i) A copy of those portions of the master list  
9 covering the information requested by a  
10 registrant shall be distributed to such  
11 registrants by the Secretary of State on or  
12 before the last business day of each month and  
13 shall be presumed to have been received by the  
14 third business day of the following month.

15 (ii) Registrants shall be deemed to be registered only  
16 as to those portions of the master list for which  
17 they register, and shall be deemed to have failed  
18 to register and shall not be considered to be  
19 registrants as to those portions for which they  
20 do not register.

21 (iii) Registrants are subject only to security  
22 interests shown on the portions of the master  
23 list which they receive as a consequence of  
24 registration with the Secretary of State.

1 (iv) If a particular security interest is shown on the  
2 master list, but was included since the last  
3 regular distribution of portions of the master  
4 list to registrants, registrants shall not be  
5 subject to that security interest;

6 (e) The duration of the registration with the Secretary of  
7 State of a buyer of farm products, commission  
8 merchant, selling agent or other registrant shall be  
9 one (1) year from the effective date of the  
10 registration with the Secretary of State.

11 (f) (i) Upon request, within twenty-four (24) hours of  
12 any inquiry, for information, the Secretary of  
13 State shall provide verbal confirmation of the  
14 existence or nonexistence of any effective  
15 financing statement on file. By the close of the  
16 business day following the day on which the  
17 request was received, written confirmation of the  
18 existence of an effective financing statement  
19 will be provided to buyers of farm products,  
20 commission merchants, and selling agents who have  
21 not registered, and others who request it.

22 (ii) The state or political subdivision shall not be  
23 liable if a loss or claim results from any  
24 confirmation of the existence or nonexistence of

1 any effective financing statement on file in the  
2 Office of the Secretary of State made in good  
3 faith by an employee of the Office of the  
4 Secretary of State as required by the provisions  
5 of this section.

6 (5) The filing in the office of the Secretary of State under  
7 this section shall be in addition to the filing requirements  
8 provided for in this article.

9 (6) A financing or continuation statement covering farm  
10 products that has not lapsed and which was filed pursuant to this  
11 title between December 23, 1986, and October 24, 1988, inclusive,  
12 and for which no written notice was furnished as provided in Section  
13 1-9-320.7 of this title, shall become ineffective as to a buyer of  
14 farm products, commission merchant or selling agent, unless the  
15 secured party files an effective financing statement in the office  
16 of the Secretary of State.

17 (7) An effective financing statement shall not be deemed filed  
18 in accordance with the provisions of this section until all fees  
19 authorized by Section 111 of Title 28 of the Oklahoma Statutes  
20 relating to the filing of the statement are tendered to the  
21 Secretary of State.

22 (8) The secured party shall file a termination statement within  
23 twenty (20) days after there is no outstanding secured obligation  
24 or commitment to make advances, incur obligations or otherwise give

1 value. The secured party shall not be required to file a  
2 termination statement if the debtor, in writing, addressed to the  
3 secured party, requests that a termination not be filed. The  
4 request shall be signed by the debtor or an authorized  
5 representative and the request may be made at any time prior to the  
6 expiration date of an effective financing statement set forth  
7 herein. If the affected secured party fails to file a termination  
8 statement as required by this subsection, the party shall be liable  
9 to the Secretary of State for Five Hundred Dollars (\$500.00). In  
10 addition the affected secured party shall be liable to the debtor  
11 for any loss caused to the debtor by the failure to terminate the  
12 effective financing statement.

13 (9) The Attorney General shall be responsible for enforcing the  
14 provisions of subsection (8) of this section on behalf of the  
15 Secretary of State and is authorized to take appropriate actions to  
16 collect any penalties owed to the Secretary of State pursuant to  
17 subsection (8) of this section. When collected, the Attorney  
18 General shall cause the penalty to be deposited into the Central  
19 Filing System Revolving Fund created pursuant to Section 276.3 of  
20 Title 62 of the Oklahoma Statutes.

21 SECTION 2. This act shall become effective November 1, 2023.

22  
23 59-1-5723 MAH 01/12/23  
24