

Article 12A

TRANSITIONAL PROVISIONS FOR UNIFORM COMMERCIAL CODE AMENDMENTS (2022)

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PART 1

GENERAL PROVISIONS AND DEFINITIONS

RCW 62A.12A-101 Short title. This Article may be cited as transitional provisions for Uniform Commercial Code Amendments (2022). [2023 c 266 s 1101.]

Construction—Effective date—2023 c 266: See notes following RCW 62A.12-101.

RCW 62A.12A-102 Definitions. (a) **Article A Definitions.** In this Article:

(1) "Adjustment date" means July 1, 2025, or the date that is one year after January 1, 2024, whichever is later.

(2) "Article 12" means Article 12 of this title.

(3) "Article 12 property" means a controllable account, controllable electronic record, or controllable payment intangible.

(b) **Definitions in other articles.** The following definitions in other articles of this title apply to this Article.

"Controllable account." RCW 62A.9A-102.

"Controllable electronic record." RCW 62A.12-102.

"Controllable payment intangible." RCW 62A.9A-102.

"Electronic money." RCW 62A.9A-102.

"Financing statement." RCW 62A.9A-102.

(c) **Article 1 definitions and principles.** Article 1 of this title contains general definitions and principles of construction and interpretation applicable throughout this Article. [2023 c 266 s 1102.]

Construction—Effective date—2023 c 266: See notes following RCW 62A.12-101.

PART 2
GENERAL TRANSITIONAL PROVISION

RCW 62A.12A-201 Saving clause. Except as provided in RCW 62A.12A-301 through 62A.12A-306, a transaction validly entered into before January 1, 2024, and the rights, duties, and interests flowing from the transaction remain valid thereafter and may be terminated, completed, consummated, or enforced as required or permitted by law other than this title or, if applicable, this title, as though chapter 266, Laws of 2023 had not taken effect. [2023 c 266 s 1103.]

Construction—Effective date—2023 c 266: See notes following RCW 62A.12-101.

PART 3
TRANSITIONAL PROVISIONS FOR ARTICLES 9A AND 12

RCW 62A.12A-301 Saving clause. (a) **Preeffective-date transaction, lien, or interest.** Except as provided in this part, Article 9A of this title as amended by chapter 266, Laws of 2023 and Article 12 apply to a transaction, lien, or other interest in property, even if the transaction, lien, or interest was entered into, created, or acquired before January 1, 2024.

(b) **Continuing validity.** Except as provided in subsection (c) of this section and *sections 1005 [1105] through 1109 of this act:

(1) A transaction, lien, or interest in property that was validly entered into, created, or transferred before January 1, 2024, and was not governed by this title, but would be subject to Article 9A of this title as amended by chapter 266, Laws of 2023 or Article 12 if it had been entered into, created, or transferred on or after January 1, 2024, including the rights, duties, and interests flowing from the transaction, lien, or interest, remains valid on and after January 1, 2024; and

(2) The transaction, lien, or interest may be terminated, completed, consummated, and enforced as required or permitted by chapter 266, Laws of 2023 or by the law that would apply if chapter 266, Laws of 2023 had not taken effect.

(c) **Preeffective-date proceeding.** Chapter 266, Laws of 2023 does not affect an action, case, or proceeding commenced before January 1, 2024. [2023 c 266 s 1104.]

***Reviser's note:** The reference to "sections 1005 through 1109 of this act" contains a typographical error. Reference to "sections 1105 through 1109 of this act" was apparently intended. Sections 1105 through 1109, chapter 266, Laws of 2023 are codified as RCW 62A.12A-302 through 62A.12A-306.

Construction—Effective date—2023 c 266: See notes following RCW 62A.12-101.

RCW 62A.12A-302 Security interest perfected before effective date. (a) **Continuing perfection: Perfection requirements satisfied.** A security interest that is enforceable and perfected immediately before January 1, 2024, is a perfected security interest under chapter 266, Laws of 2023 if, on January 1, 2024, the requirements for enforceability and perfection under chapter 266, Laws of 2023 are satisfied without further action.

(b) **Continuing perfection: Enforceability or perfection requirements not satisfied.** If a security interest is enforceable and perfected immediately before January 1, 2024, but the requirements for enforceability or perfection under chapter 266, Laws of 2023 are not satisfied on January 1, 2024, the security interest:

- (1) Is a perfected security interest until the earlier of the time perfection would have ceased under the law in effect immediately before January 1, 2024, or the adjustment date;
- (2) Remains enforceable thereafter only if the security interest satisfies the requirements for enforceability under RCW 62A.9A-203, as amended by chapter 266, Laws of 2023, before the adjustment date; and
- (3) Remains perfected thereafter only if the requirements for perfection under chapter 266, Laws of 2023 are satisfied before the time specified in (1) of this subsection. [2023 c 266 s 1105.]

Construction—Effective date—2023 c 266: See notes following RCW 62A.12-101.

RCW 62A.12A-303 Security interest unperfected before effective date. A security interest that is enforceable immediately before January 1, 2024, but is unperfected at that time:

- (a) Remains an enforceable security interest until the adjustment date;
- (b) Remains enforceable thereafter if the security interest becomes enforceable under RCW 62A.9A-203, as amended chapter 266, Laws of 2023, on January 1, 2024, or before the adjustment date; and
- (c) Becomes perfected:
 - (1) Without further action, on January 1, 2024, if the requirements for perfection under chapter 266, Laws of 2023 are satisfied before or at that time; or
 - (2) When the requirements for perfection are satisfied if the requirements are satisfied after that time. [2023 c 266 s 1106.]

Construction—Effective date—2023 c 266: See notes following RCW 62A.12-101.

RCW 62A.12A-304 Effectiveness of actions taken before effective date. (a) **Preeffective-date action; attachment and perfection before adjustment date.** If action, other than the filing of a financing statement, is taken before January 1, 2024, and the action would have resulted in perfection of the security interest had the security interest become enforceable before January 1, 2024, the action is effective to perfect a security interest that attaches under chapter 266, Laws of 2023 before the adjustment date. An attached security interest becomes unperfected on the adjustment date unless the security interest becomes a perfected security interest under chapter 266, Laws of 2023 before the adjustment date.

(b) **Preeffective-date filing.** The filing of a financing statement before January 1, 2024, is effective to perfect a security interest on January 1, 2024, to the extent the filing would satisfy the requirements for perfection under chapter 266, Laws of 2023.

(c) **Preeffective-date enforceability action.** The taking of an action before January 1, 2024, is sufficient for the enforceability of a security interest on January 1, 2024, if the action would satisfy the requirements for enforceability under chapter 266, Laws of 2023. [2023 c 266 s 1107.]

Construction—Effective date—2023 c 266: See notes following RCW 62A.12-101.

RCW 62A.12A-305 Priority. (a) Determination of priority.

Subject to subsections (b) and (c) of this section, chapter 266, Laws of 2023 determines the priority of conflicting claims to collateral.

(b) **Established priorities.** Subject to subsection (c) of this section, if the priorities of claims to collateral were established before January 1, 2024, Article 9A of this title as in effect before January 1, 2024, determines priority.

(c) **Determination of certain priorities on adjustment date.** On the adjustment date, to the extent the priorities determined by Article 9A of this title as amended by chapter 266, Laws of 2023 modify the priorities established before January 1, 2024, the priorities of claims to Article 12 property and electronic money established before January 1, 2024, cease to apply. [2023 c 266 s 1108.]

Construction—Effective date—2023 c 266: See notes following RCW 62A.12-101.

RCW 62A.12A-306 Priority of claims when priority rules of Article 9A do not apply. (a) Determination of priority.

Subject to subsections (b) and (c) of this section, Article 12 determines the priority of conflicting claims to Article 12 property when the priority rules of Article 9A of this title as amended by chapter 266, Laws of 2023 do not apply.

(b) **Established priorities.** Subject to subsection (c) of this section, when the priority rules of Article 9A of this title as amended by chapter 266, Laws of 2023 do not apply and the priorities of claims to Article 12 property were established before January 1, 2024, law other than Article 12 determines priority.

(c) **Determination of certain priorities on adjustment date.** When the priority rules of Article 9A of this title as amended by chapter 266, Laws of 2023 do not apply, to the extent the priorities determined by chapter 266, Laws of 2023 modify the priorities established before January 1, 2024, the priorities of claims to Article 12 property established before January 1, 2024, cease to apply on the adjustment date. [2023 c 266 s 1109.]

Construction—Effective date—2023 c 266: See notes following RCW 62A.12-101.