

STATE OF OKLAHOMA

2nd Session of the 59th Legislature (2024)

HOUSE BILL 3323

By: Staires

AS INTRODUCED

An Act relating to the Uniform Commercial Code;
amending 12A O.S. 2021, Section 1-201, which relates
to general definitions; defining central bank digital
currency; modifying definition; and providing an
effective date.

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

SECTION 1. AMENDATORY 12A O.S. 2021, Section 1-201, is
amended to read as follows:

Section 1-201. General Definitions and Principles of
Interpretation.

(a) Unless the context otherwise requires, words or phrases
defined in this section, or in the additional definitions contained
in other articles of the Uniform Commercial Code that apply to
particular articles or parts thereof, have the meanings stated.

(b) Subject to definitions contained in other articles of the
Uniform Commercial Code that apply to particular articles or parts
thereof:

1 (1) "Action" in the sense of a judicial proceeding includes a
2 recoupment, counterclaim, setoff, suit in equity, and any other
3 proceedings in which rights are determined.

4 (2) "Aggrieved party" means a party entitled to pursue a
5 remedy.

6 (3) "Agreement", as distinguished from "contract", means the
7 bargain of the parties in fact as found in their language or
8 inferred from other circumstances including course of performance,
9 course of dealing, or usage of trade as provided in Section 1-303 of
10 this title.

11 (4) "Bank" means a person engaged in the business of banking
12 and includes a savings bank, savings and loan association, credit
13 union, and trust company.

14 (5) "Bearer" means a person in control of a negotiable
15 electronic document of title or a person in possession of an
16 instrument, negotiable tangible document of title, or certificated
17 security payable to bearer or endorsed in blank.

18 (6) "Bill of lading" means a document of title evidencing the
19 receipt of goods for shipment issued by a person engaged in the
20 business of directly or indirectly transporting or forwarding goods.
21 The term does not include a warehouse receipt.

22 (7) "Branch" includes a separately incorporated foreign branch
23 of a bank.
24
--

1 (8) "Burden of establishing" means the burden of persuading the
2 trier of fact that the existence of the fact is more probable than
3 its nonexistence.

4 (9) "Buyer in ordinary course of business" means a person that
5 buys goods in good faith, without knowledge that the sale violates
6 the rights of another person in the goods, and in the ordinary
7 course from a person, other than a pawnbroker, in the business of
8 selling goods of that kind. A person buys goods in the ordinary
9 course if the sale to the person comports with the usual or
10 customary practices in the kind of business in which the seller is
11 engaged or with the seller's own usual or customary practices. A
12 person that sells oil, gas, or other minerals at the wellhead or
13 minehead is a person in the business of selling goods of that kind.
14 A buyer in ordinary course of business may buy for cash, by exchange
15 of other property, or on secured or unsecured credit, and may
16 acquire goods or documents of title under a preexisting contract for
17 sale. Only a buyer that takes possession of the goods or has a
18 right to recover the goods from the seller under Article 2 may be a
19 buyer in ordinary course of business. "Buyer in ordinary course of
20 business" does not include a person that acquires goods in a
21 transfer in bulk or as security for or total or partial satisfaction
22 of a money debt.

23 (10) "Central bank digital currency" means a digital currency,
24 a digital medium of exchange, or a digital monetary unit of account
--

1 issued by the United States Federal Reserve System, a federal
2 agency, a foreign government, a foreign central bank, or a foreign
3 reserve system that is made directly available to a consumer by such
4 entities. The term includes a digital currency, a digital medium of
5 exchange, or a digital monetary unit of account issued by the United
6 States Federal Reserve System, a federal agency, a foreign
7 government, a foreign central bank, or a foreign reserve system that
8 is processed or validated directly by such entities.

9 (11) "Conspicuous", with reference to a term means so written,
10 displayed, or presented that a reasonable person against whom it is
11 to operate ought to have noticed it. Whether a term is
12 "conspicuous" or not is a decision for the court. Conspicuous terms
13 include the following:

- 14 (A) a heading in capitals equal to or greater in size than
15 the surrounding text, or in contrasting type, font, or
16 color to the surrounding text of same or lesser size;
17 and
- 18 (B) language in the body of a record or display in larger
19 type than the surrounding text of the same size, or
20 set off from surrounding text of the same size by
21 symbols or other marks that call attention to the
22 language.

23 ~~(11)~~ (12) "Consumer" means an individual who enters into a
24 transaction primarily for personal, family, or household purposes.

1 ~~(12)~~ (13) "Contract", as distinguished from "agreement", means
2 the total legal obligation that results from the parties' agreement
3 as determined by the provisions of the Uniform Commercial Code as
4 supplemented by any other applicable laws.

5 ~~(13)~~ (14) "Creditor" includes a general creditor, a secured
6 creditor, a lien creditor, and any representative of creditors,
7 including an assignee for the benefit of creditors, a trustee in
8 bankruptcy, a receiver in equity, and an executor or administrator
9 of an insolvent debtor's or assignor's estate.

10 ~~(14)~~ (15) "Defendant" includes a person in the position of
11 defendant in a counterclaim, cross-claim, or third-party claim.

12 (16) "Deposit account" means a demand, time, savings, passbook,
13 or similar account maintained with a bank. The term does not include
14 investment property, a United States central bank digital currency,
15 or an account evidenced by a certificate of deposit or an
16 instrument.

17 ~~(15)~~ (17) "Delivery" with respect to an electronic document of
18 title means voluntary transfer of control and with respect to an
19 instrument, a tangible document of title, or chattel paper means
20 voluntary transfer of possession.

21 ~~(16)~~ (18) "Document of title" means a record that in the
22 regular course of business or financing is treated as adequately
23 evidencing that the person in possession or control of the record is
24 entitled to receive, control, hold, and dispose of the record and
--

1 the goods the record covers and that purports to be issued by or
2 addressed to a bailee and to cover goods in the bailee's possession
3 which are either identified or are fungible portions of an
4 identified mass. The term includes a bill of lading, transport
5 document, dock warrant, dock receipt, warehouse receipt, and order
6 for delivery of goods. An electronic document of title means a
7 document of title evidenced by a record consisting of information
8 stored in an electronic medium. A tangible document of title means
9 a document of title evidenced by a record consisting of information
10 that is inscribed on a tangible medium.

11 ~~(17)~~ (19) "Fault" means a default, breach, or wrongful act or
12 omission.

13 ~~(18)~~ (20) "Fungible goods" means:

14 (A) goods of which any unit, by nature or usage of trade,
15 is the equivalent of any other like unit; or

16 (B) goods that by agreement are treated as equivalent.

17 ~~(19)~~ (21) "Genuine" means free of forgery or counterfeiting.

18 ~~(20)~~ (22) "Good faith", except as otherwise provided in Article
19 5 of this title, means honesty in fact and the observance of
20 reasonable commercial standards of fair dealing.

21 ~~(21)~~ (23) "Holder" means:

22 (A) the person in possession of a negotiable instrument
23 that is payable either to bearer or to an identified
24 person that is the person in possession;
--

1 (B) the person in possession of a document of title if the
2 goods are deliverable either to bearer or to the order
3 of the person in possession; or

4 (C) the person in control of a negotiable electronic
5 document of title.

6 ~~(22)~~ (24) "Insolvency proceeding" includes any assignment for
7 the benefit of creditors or other proceeding intended to liquidate
8 or rehabilitate the estate of the person involved.

9 ~~(23)~~ (25) "Insolvent" means:

10 (A) having generally ceased to pay debts in the ordinary
11 course of business other than as a result of bona fide
12 dispute;

13 (B) being unable to pay debts as they become due; or

14 (C) being insolvent within the meaning of the federal
15 bankruptcy law.

16 ~~(24)~~ (26) "Money" means a medium of exchange authorized or
17 adopted by a domestic or foreign government. The term includes a
18 monetary unit of account established by an intergovernmental
19 organization or by agreement between two or more countries. The
20 term does not include central bank digital currency.

21 ~~(25)~~ (27) "Organization" means a person other than an
22 individual.

1 ~~(26)~~ (28) "Party", as distinguished from "third party", means a
2 person who has engaged in a transaction or made an agreement subject
3 to the Uniform Commercial Code.

4 ~~(27)~~ (29) "Person" means an individual, corporation, business
5 trust, estate, trust, partnership, limited liability company,
6 association, joint venture, government, governmental subdivision,
7 agency, or instrumentality, public corporation, or any other legal
8 or commercial entity.

9 ~~(28)~~ (30) "Present value" means the amount as of a date certain
10 of one or more sums payable in the future, discounted to the date
11 certain by use of either an interest rate specified by the parties
12 if that rate is not manifestly unreasonable at the time the
13 transaction is entered into or, if an interest rate is not so
14 specified, a commercially reasonable rate that takes into account
15 the facts and circumstances at the time the transaction is entered
16 into.

17 ~~(29)~~ (31) "Purchase" means taking by sale, discount,
18 negotiation, mortgage, pledge, lien, security interest, issue or
19 reissue, gift, or any other voluntary transaction creating an
20 interest in property.

21 ~~(30)~~ (32) "Purchaser" means a person who takes by purchase.

22 ~~(31)~~ (33) "Record" means information that is inscribed on a
23 tangible medium or that is stored in an electronic or other medium
24 and is retrievable in perceivable form.

1 ~~(32)~~ (34) "Remedy" means any remedial right to which an
2 aggrieved party is entitled with or without resort to a tribunal.

3 ~~(33)~~ (35) "Representative" means a person empowered to act for
4 another, including an agent, an officer of a corporation or
5 association, and a trustee, executor, or administrator of an estate.

6 ~~(34)~~ (36) "Right" includes remedy.

7 ~~(35)~~ (37) "Security interest" means an interest in personal
8 property or fixtures which secures payment or performance of an
9 obligation. "Security interest" includes any interest of a
10 consignor and a buyer of accounts, chattel paper, a payment
11 intangible, or a promissory note in a transaction that is subject to
12 Article 9 of this title. "Security interest" does not include the
13 special property interest of a buyer of goods on identification of
14 those goods to a contract for sale under Section 2-401 of this
15 title, but a buyer may also acquire a "security interest" by
16 complying with the provisions of Article 9 of this title. Except as
17 otherwise provided in Section 2-505 of this title, the right of a
18 seller or lessor of goods under Article 2 or 2A of this title to
19 retain or acquire possession of the goods is not a "security
20 interest", but a seller or lessor may also acquire a "security
21 interest" by complying with Article 9 of this title. The retention
22 or reservation of title by a seller of goods notwithstanding
23 shipment or delivery to the buyer under Section 2-401 of this title
24 is limited in effect to a reservation of a "security interest".
..

1 Whether a transaction in the form of a lease creates security
2 interest is determined pursuant to Section 1-203 of this title.

3 ~~(36)~~ (38) "Send" in connection with any writing, record, or
4 notice means:

5 (A) to deposit in the mail or deliver for transmission by
6 any other usual means of communication with postage or
7 cost of transmission provided for and properly
8 addressed and, in the case of an instrument, to an
9 address specified thereon or otherwise agreed, or if
10 there be none, to any address reasonable under the
11 circumstances; or

12 (B) in any other way to cause to be received any record or
13 notice within the time at which it would have arrived
14 if properly sent.

15 ~~(37)~~ (39) "Signed" includes any symbol executed or adopted with
16 present intention to adopt or accept a writing.

17 ~~(38)~~ (40) "State" means a state of the United States, the
18 District of Columbia, Puerto Rico, the United States Virgin Islands,
19 or any territory or insular possession subject to the jurisdiction
20 of the United States.

21 ~~(39)~~ (41) "Surety" includes guarantor or other secondary
22 obligor.

23 ~~(40)~~ (42) "Term" means a portion of an agreement which relates
24 to a particular matter.

1 ~~(41)~~ (43) "Unauthorized signature" means a signature made
2 without actual, implied or apparent authority. The term includes a
3 forgery.

4 ~~(42)~~ (44) "Warehouse receipt" means a document of title issued
5 by a person engaged in the business of storing goods for hire.

6 ~~(43)~~ (45) "Writing" includes printing, typewriting, or any
7 other intentional reduction to tangible form. "Written" has a
8 corresponding meaning.

9 SECTION 2. This act shall become effective November 1, 2024.

10

11 59-2-9112 MJ 01/15/24

12

13

14

15

16

17

18

19

20

21

22

23

24

- -