

# Judiciary Committee

## JOINT FAVORABLE REPORT

**Bill No.:** HB-6970

AN ACT CONCERNING ADOPTION OF AMENDMENTS TO THE UNIFORM

**Title:** COMMERCIAL CODE.

**Vote Date:** 4/10/2025

**Vote Action:** Joint Favorable Substitute

**PH Date:** 3/3/2025

**File No.:**

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### SPONSORS OF BILL:

Judiciary Committee

### REASONS FOR BILL:

The reason The Uniform Commercial Code ("UCC") provides commercial law rules for broad categories of transactions: the sale or lease of goods, negotiable instruments, bank deposits and collections, funds transfers, letters of credit, documents of title, investment property, and secured transactions in personal property. The new UCC Article 12 deals with a category of digital assets referred to as "controllable electronic records" ("CERs"). Examples of CERs are virtual currencies, non-fungible tokens, and electronic promises to pay. This bill provides rules to determine the rights of a person who receives a CER and for the perfection and priority of a security interest in a CER. The updated law will stimulate economic activity by providing legal certainty to these increasingly common transactions.

### SUBSTITUTE LANGUAGE:

The substitute language amended the bill in line 663, inserting a comma after "biometrics"; in line 697, inserting "a" before "record"; in line 1075, bracketing "(10)(iii)" and after the closing bracket, inserting "(10)(C)"; and in line 1079, striking "(9)(iii)" and inserting "(10)(C)" in lieu thereof.

### RESPONSE FROM ADMINISTRATION/AGENCY:

None expressed.

## NATURE AND SOURCES OF SUPPORT:

**Thomas Welsh, Connecticut Bar Association:** The CT Bar Association supports this legislation because it would modernize the Uniform Commercial Code (UCC) by regulating certain transactions and digital assets like cryptocurrency and NFTs. They suggest Connecticut adopt this legislation like 25 other states already have, with 10 more considering similar legislation. They believe failure to do so could lead to an exodus of businesses from Connecticut to a state with a more modern UCC.

**Barry Hawkins, Shipman & Goodwin, LLP., Uniform Law Commissioner:** He submitted testimony in support of this legislation because he feels that Connecticut must conform to the laws of other states for consistency across state lines.

## NATURE AND SOURCES OF OPPOSITION:

None expressed.

**Reported by:** Griffin Olshan

**Date:** April 1, 2025