

May 17, 2000

S 1266. UNIFORM ELECTRONIC TRANSACTIONS ACT. TO ADOPT THE UNIFORM ELECTRONIC TRANSACTIONS ACT. Adds new Article 40 to GS Chapter 66, enacting the Uniform Electronic Transactions Act. Provides generally that records or signatures cannot be denied legal effect or enforceability solely because they are in electronic form; that electronic records satisfy legal requirements that records be in writing; and that electronic signatures satisfy legal requirements that documents bear signatures. Includes sections dealing with effects of errors in creating electronic records; need for notarization and acknowledgment of electronic records; retention of electronic records; admissibility into evidence of electronic records; and validity of contract created by electronic agents or by individuals and electronic agents. Sets out rules for determining time and place of sending and receipt of electronic records. Establishes rules under which electronic records can qualify as negotiable instruments under Article 3 of Uniform Commercial Code and as documents under Article 7 of the Code. Effective Oct. 1, 2000.
Intro. by Reeves.

Ref. to Information Tech.	GS 66
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June 19, 2000

S 1266. UNIFORM ELECTRONIC TRANSACTIONS ACT. Intro. 06/19. Senate amendment makes the following changes to 1st edition: Adds a definition for "consumer transaction" (proposed GS 66-308.1(3)).

Rewrites proposed GS 66-308.2 to specifically exempt the following transactions: (a) GS 14-401.13 (Right to Cancel in Off-Premises Sales); (b) GS 20-71.4 (Vehicle Damage Disclosure); (c) GS 20-340 (Vehicle Mileage Act); (d) GS 42-25.9 (Ejection of Residential Tenants); (e) GS 44A-4 (Possessory Liens on Personal Property); (f) GS 53-165 (Consumer Finance Act); (g) GS 53-275 (Check Cashing); (h) GS 66-106 (Loan Brokers); (i) GS 66-118 (Prepaid Entertainment Contracts); (j) GS 66-131 (Discount Buying Clubs); (k) GS 66-209 (Invention Development Services); (l) GS 66-220 (Credit Repair Services); (m) GS 66-250 (Membership Camping Act); and (n) GS 93A-45 (Time Shares).

Provides that the provisions do not apply to the notice of (a) the cancellation or termination of utility services; (b) default, acceleration, repossession, foreclosure or eviction, or the right to cure, under a credit agreement secured by, or rental agreement for, a primary residence of an individual; (c) the cancellation or termination of automobile insurance, health insurance or benefits, or life insurance or benefits (excluding annuities); and (d) the recall of a product, or material failure of a product that risks endangering health or safety.

Amends proposed GS 66-308.4 to provide that in a consumer transaction where the consumer conducts the transaction on electronic equipment provided by or through the seller, the consumer must be given a written copy of the contract which is not in electronic form. Provides that if a consumer's consent to receive future notices regarding the transaction in an electronic form is valid only if the consumer confirms electronically, using equipment other than that provided by the seller, that (i) the consumer has the software specified by the seller as necessary to read future notices, and (ii) the consumer agrees to receive the notices in an electronic form.

June 28, 2000

S 1266. UNIFORM ELECTRONIC TRANSACTIONS ACT. Intro. 05/17/00. Senate amendment makes the following changes to 2nd edition.

Revises definition of "electronic signature" to replace the phrase "any identifier or authentication technique" with the phrase "an electronic sound, symbol, or process." Deletes listing of specific transactions to which act does not apply and substitutes statement that transaction subject to the new Article is also subject to other applicable substantive law. Transfers to new section and revises provisions specifying when written copy of contract required. Deletes provision that consumer transaction created or documented by electronic record is deemed to have been made at individual's residence.

Adds new section providing as follows. Makes new Article inapplicable to (a) notice of cancellation or termination of utility services, (b) notices of default, acceleration, repossession, foreclosure or eviction, or right to cure under credit agreement secured by, or rental agreement

for, individual's primary residence; (c) notice of cancellation or termination of health or life insurance; (d) notice of recall of product; or (e) document required to accompany transportation or handling of hazardous materials. Specifies in detail conditions that must exist in order for finding that consumer agreed to conduct transaction by electronic means. Requires written copy of agreement when transaction conducted on electronic equipment provided by or through seller; specifies conditions under which consumer is deemed to consent to receive future notices regarding the transaction in electronic form.

July 5, 2000

S 1266. UNIFORM ELECTRONIC TRANSACTIONS ACT. Intro. 5/17/00. House committee substitute makes the following changes to 3rd edition. Provides that, in a consumer transaction, an electronic record is not received unless the sender has a reasonable basis to believe the record can be opened and read by the recipient. Makes additional technical changes.