



SUPPORT THE ENACTMENT OF THE EMERGING TECHNOLOGIES AMENDMENTS TO THE NEW YORK UNIFORM COMMERCIAL CODE

New York commercial and financial law has unique respect for freedom of contract and strong protections for the negotiability of commercial instruments. This has long made New York the preferred U.S. jurisdiction for paper-based commercial and financial transactions; however, this is not the case for transactions involving digital assets. Enacting the **New York Emerging Technologies Amendments** (Amendments) is necessary to preserve New York's preeminence as a leading commercial jurisdiction by adapting New York's Uniform Commercial Code (New York UCC) to recent and potential future developments in technology and related new methods of doing business.

The Uniform Law Commission (ULC) and the American Law Institute (ALI) approved model Emerging Technologies amendments (2022 Amendments) to the Uniform Commercial Code (UCC). The Amendments, as prepared by The City Bar, are a tailored version of the 2022 Amendments designed specifically for New York's UCC, which differs in some respects from the current Official Text of the UCC. They are otherwise consistent with the 2022 Amendments in the interest of uniformity with the laws of other states.

Benefits to New York by Enacting the Amendments:

- Will promote and encourage technological and commercial advances that decrease transactional costs and enhance the efficiency, certainty and security of commercial and financial transactions governed by the New York UCC.
- Will help ensure New York's leadership in commercial and financial progress and growth and will disincentivize migration of digital commerce to other jurisdictions which more clearly promote and encourage technological and commercial advances.
- Will further New York's long-standing goals of (1) encouraging choice of New York law and jurisdiction to govern and adjudicate commercial contracts and (2) making the advantages of electronic commerce available to the greatest extent in New York.

About the Association

The mission of the New York City Bar Association, which was founded in 1870 and has over 23,000 members, is to equip and mobilize a diverse legal profession to practice with excellence, promote reform of the law, and uphold the rule of law and access to justice in support of a fair society and the public interest in our community, our nation, and throughout the world.

Why Update the New York UCC now?

- The New York UCC has not been updated since 2014.
- New technologies and enhancements to existing technologies since 2014 have had, and are expected to continue to have, material influences on commerce and finance.
- Alabama, Colorado, Hawaii, Indiana, Nevada, New Hampshire, New Mexico, North Dakota, and Washington have already enacted the 2022 Amendments. Bills to enact the 2022 Amendments have been introduced in 18 other states, including New York, and that number is expected to increase.

Read the City Bar's full report [here](#).

August 2023

Contact:

Elizabeth Kocienda, Director of Advocacy | 212.382.4788 | ekocienda@nycbar.org