

ADOPT THE NEW YORK EMERGING TECHNOLOGIES AMENDMENTS TO THE UNIFORM COMMERCIAL CODE

NEW YORK
CITY BAR

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 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 and the American Law Institute approved model Emerging Technologies amendments (Model Amendments) to the Uniform Commercial Code (UCC). [The Amendments](#), as prepared by the New York City Bar Association's [Task Force on Digital Technologies](#) (Task Force), are a tailored version of the Model Amendments designed specifically for New York's UCC, which differs in some respects from the current Official Text of the UCC. The Amendments are otherwise consistent with the Model Amendments in the interest of uniformity with the laws of other states.

Benefits to New York by Enacting the Emerging Technologies Amendments to the UCC:

- 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.

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.
- [Almost two dozen states](#) and the District of Columbia have already enacted the Model UCC Amendments.
- [Other states](#), including New York, have introduced bills covering the Model UCC Amendments and that number is expected to increase.

[To learn more, click here or scan the QR code.](#)

