

CS/HB 731 — Uniform Commercial Code

by Criminal & Civil Justice Policy Council and Rep. Carroll (CS/SB 1366 by Banking and Insurance Committee and Senator Wise)

This bill modernizes the language in ch. 677, F.S., the Florida Uniform Commercial Code (UCC), pertaining to documents of title, including warehouse receipts, bills of lading, transport documents, dock warrants, dock receipts, and orders for the delivery of goods. The modernized language recognizes electronic documents of title, which is a necessity today with the ubiquity of electronic commerce.

In the bill, recognition of electronic documents of title begins with the definition of “document of title,” which provides that a document of title is a business record evidencing that a person in possession or control of the record is entitled to receive, control, hold, and dispose of the record and the goods covered under the record. A document of title may be an “electronic document of title” stored in an electronic medium or a “tangible document of title” consisting of information inscribed on a tangible medium. Thus, a document of title is no longer required to be a tangible document, and control of an electronic document of title is treated as possessing the document of title.

In keeping with the intent to modernize the UCC, the bill provides for electronic transfer of documents of title, conversion of an electronic document of title to a tangible document or vice versa, and negotiation of an electronic document of title. The bill also revises definitions, clarifies the concept of “control” of an electronic document, and includes language to avoid preemption by the federal Electronic Signatures in Global and National Commerce Act.

The bill expands the scope of application of certain UCC provisions under ch. 677, F.S., pertaining to documents of title, by applying those provisions to lease agreements, lessees, lessors, and merchants doing business with lessees.

If approved by the Governor, these provisions take effect July 1, 2010.

Vote: Senate 38-0; House 116-0