

**REVENUE: No revenue impact**

**FISCAL: Minimal fiscal impact, no statement issued**

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**Action:** Do Pass

**Vote:** 10 - 0 - 0

**Yeas:** Barton, Cameron, Garrett, Krieger, Olson, Shields, Smith J., Stiegler, Whisnant, Barker

**Nays:** 0

**Exc.:** 0

**Prepared By:** Lisa Nuss, Counsel

**Meeting Dates:** 4/30

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**WHAT THE MEASURE DOES:** Conforms Oregon law to changes in Articles 1 and 7 of the Uniform Commercial Code (ORS Chapters 71 and 77): Modernizes the “General Provisions” section and updates concepts for judges to determine whether parties have acted in “good faith” and to analyze transactions based on the “course of performance” between the parties; eliminates requirement for a signed writing for the sale of personal property over \$5,000; and, updates the “Documents of Title” section regarding shipment and storage of goods to allow for electronic “ownership” of goods, now represented by warehouse receipts, bills of lading, etc.

**ISSUES DISCUSSED:**

- Clarifying that industry representatives were part of the work group
- Need to harmonize Oregon’s commercial laws with rest of the country

**EFFECT OF COMMITTEE AMENDMENT:** No amendment.

**BACKGROUND:** The Uniform Commercial Code (UCC) is a model national code that encourages the free flow of commerce across state lines. Oregon adopted its version of the original UCC in 1961.

These amendments to the UCC are recommended by the National Conference of Commissioners on Uniform State Laws and the American Law Institute to reflect evolving business practice and advancements in technology. The Oregon Law Commission led a work group of law professors, practicing lawyers and industry representatives to review the proposed changes for application in Oregon.

The amendments to Article 1 and Article 7 have so far been adopted by 35 and 31 U.S. jurisdictions, respectively.