IOWA HOUSE REPUBLICANS

REPUBLICAN CAUCUS STAFF
HOUSE OF REPRESENTATIVES
STATE CAPITOL
DES MOINES, IOWA 50319

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HOUSE REPUBLICAN STAFF ANALYSIS

Bill:	House File 2445 (Formerly HSB 678)	House Committee:	**PASSED** on February 15 (21-0)
Committee:	Judiciary	House Floor:	**PASSED** on March 2 (99-0)
Floor Manager:	Rep. Jacobsen	Senate Floor:	**PASSED** on May 23 (45-0)
Date:	May 23, 2022	Governor:	
Staff:	Amanda Wille (1-5230)		

Uniform Commercial Code Updates

- HF 2445 makes changes to the UCC

Section by Section Analysis

The Uniform Commercial Code (UCC) are the laws that govern many commercial transactions. This includes; sales, leases, banking transactions, checks, letters of credit, documents of title for goods, investment securities and secured transactions. The UCC has been adopted by almost every state and is updated on occasion with input from the Uniform Law Commission and the American Law Institute.

The changes in HF 2445 create a new article in Iowa's UCC. This is designed to reduce risks and provide greater legal certainty to digital asset transactions. These new rules govern the transfer in some digital assets (controllable electronic records) and set standards for how they are acquired.

Additional changes are made to each of the nine UCC articles to govern security interests in controllable electronic records.

These refinements are of three general types or categories:

- Stylistic changes by the ULC Committee on Style (which include many ,if not most, of the revisions)
- Simplification of concepts, most importantly the deletion from §554.14104, subsection 7, of the "traceable electronic record" concept which was confusing, overly complicated, and, frankly, unnecessary)
- Refinement of elements and requirements for control of controllable electronic records, most notably, clarification of the "exclusivity" requirement

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Amendment Analysis