

SB 167 STAFF MEASURE SUMMARY

Senate Committee On Judiciary

Prepared By: Tisha Pascone, LPRO Analyst

Meeting Dates: 1/30

WHAT THE MEASURE DOES:

The measure updates Oregon's Uniform Commercial Code to address digital assets including transactions of electronic currency. The measure does not apply to transactions entered into before the effective date of the act, or security interests perfected before the measure's effective date, and it provides a one year grace period for security interests in digital assets perfected under existing law.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

The Uniform Commercial Code is a national model act regulating commercial transactions that encourages the free flow of commerce across state lines, with laws recommended by the American Law Institute and Uniform Law Commission. Oregon adopted its version of the UCC in 1961 and has amended it periodically to incorporate changes in the national model UCC. The model UCC added Article 12 in 2022 to address modern digital forms of assets and currency, and it made conforming changes throughout the existing UCC Articles. Senate Bill 167 would adopt UCC Article 12 and related updates to other Articles into the Oregon UCC. Several states adopted a preliminary draft of Article 12, and approximately twenty-four states have adopted the final version.