

SESSION OF 2007

**SUPPLEMENTAL NOTE ON SENATE BILL NO. 308**

As Recommended by Senate Committee on  
Judiciary

**Brief\***

SB 308 would amend Article 7 of the Uniform Commercial Code to authorize electronic documents of title to transfer rights in goods.

**Background**

The proponent of the bill included John McCabe, Legal Counsel and Legislative Director Emeritus for the National Conference of Commissioners on Uniform State Laws. He testified that Article 7 of the Uniform Commercial Code governs rights to goods during commercial storage and shipment of goods through the transfer of documents of title. Negotiation of the documents of title, either a bill of lading or a warehouse receipt, enables the parties to transfer goods without fear that a third person may have a claim against the transferee of goods. Electronic documents of title require different concepts and terms to provide the same transfer effect as negotiable paper documents of title. The bill would make the necessary changes to the Code to authorize electronic documents of title.

There was no testimony in opposition to the bill.

The fiscal note from the Division of Budget states that the passage of this bill would have no fiscal effect.

---

\*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>