

As Introduced

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H. B. No. 155

Representatives Young, T., Demetriou

**Cosponsors: Representatives Barhorst, Dean, Wiggam, Plummer, Santucci,
Williams, Willis, King**

A BILL

To amend section 1301.201 of the Revised Code to 1
exclude central bank digital currencies from 2
being treated as money under the Ohio Uniform 3
Commercial Code. 4

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That section 1301.201 of the Revised Code be 5
amended to read as follows: 6

Sec. 1301.201. General definitions [UCC 1-201] 7

(A) Unless the context otherwise requires, words or 8
phrases defined in this section, or in the additional 9
definitions contained in Chapter 1301., 1302., 1303., 1304., 10
1305., 1307., 1308., 1309., or 1310. of the Revised Code, that 11
apply to particular chapters or sections therein, have the 12
meanings stated. 13

(B) Subject to definitions contained in Chapter 1301., 14
1302., 1303., 1304., 1305., 1307., 1308., 1309., or 1310. of the 15
Revised Code, that apply to particular chapters or sections 16
therein: 17

- (1) "Action", in the sense of a judicial proceeding, 18
includes recoupment, counterclaim, set-off, suit in equity, and 19
any other proceeding in which rights are determined. 20
- (2) "Aggrieved party" means a party entitled to pursue a 21
remedy. 22
- (3) "Agreement", as distinguished from "contract", means 23
the bargain of the parties in fact, as found in their language 24
or inferred from other circumstances, including course of 25
performance, course of dealing, or usage of trade as provided in 26
section 1301.303 of the Revised Code. 27
- (4) "Bank" means a person engaged in the business of 28
banking and includes a savings bank, savings and loan 29
association, credit union, and trust company. 30
- (5) "Bearer" means a person in control of a negotiable 31
electronic document of title or a person in possession of a 32
negotiable instrument, negotiable tangible document of title, or 33
certificated security that is payable to bearer or indorsed in 34
blank. 35
- (6) "Bill of lading" means a document of title evidencing 36
the receipt of goods for shipment issued by a person engaged in 37
the business of directly or indirectly transporting or 38
forwarding goods. The term does not include a warehouse receipt. 39
- (7) "Branch" includes a separately incorporated foreign 40
branch of a bank. 41
- (8) "Burden of establishing" a fact means the burden of 42
persuading the trier of fact that the existence of the fact is 43
more probable than its nonexistence. 44
- (9) "Buyer in ordinary course of business" means a person 45

that buys goods in good faith, without knowledge that the sale 46
violates the rights of another person in the goods, and in the 47
ordinary course from a person, other than a pawnbroker, in the 48
business of selling goods of that kind. A person buys goods in 49
the ordinary course if the sale to the person comports with the 50
usual or customary practices in the kind of business in which 51
the seller is engaged or with the seller's own usual or 52
customary practices. A person that sells oil, gas, or other 53
minerals at the wellhead or minehead is a person in the business 54
of selling goods of that kind. A buyer in ordinary course of 55
business may buy for cash, by exchange of other property, or on 56
secured or unsecured credit, and may acquire goods or documents 57
of title under a preexisting contract for sale. Only a buyer 58
that takes possession of the goods or has a right to recover the 59
goods from the seller under Chapter 1302. of the Revised Code 60
may be a buyer in ordinary course of business. "Buyer in 61
ordinary course of business" does not include a person that 62
acquires goods in a transfer in bulk or as security for or in 63
total or partial satisfaction of a money debt. 64

(10) "Central bank digital currency" means a digital 65
currency, digital medium of exchange, or digital monetary unit 66
of account issued by the United States federal reserve system, a 67
federal agency, a foreign government, a foreign central bank, or 68
a foreign reserve system, that is made directly available to a 69
consumer by such entities. The term includes a digital currency, 70
digital medium of exchange, or digital monetary unit of account 71
issued by the United States federal reserve system, a federal 72
agency, a foreign government, a foreign central bank, or a 73
foreign reserve system, that is processed or validated directly 74
by such entities. 75

~~(10)~~ (11) "Conspicuous", with reference to a term, means 76

so written, displayed, or presented that a reasonable person 77
against which it is to operate ought to have noticed it. Whether 78
a term is "conspicuous" or not is for decision by the court. 79
Conspicuous terms include the following: 80

(a) A heading in capitals equal to or greater in size than 81
the surrounding text, or in contrasting type, font, or color to 82
the surrounding text of the same or lesser size; and 83

(b) Language in the body of a record or display in larger 84
type than the surrounding text, or in contrasting type, font, or 85
color to the surrounding text of the same size, or set off from 86
surrounding text of the same size by symbols or other marks that 87
call attention to the language. 88

~~(11)~~ (12) "Consumer" means an individual who enters into a 89
transaction primarily for personal, family, or household 90
purposes. 91

~~(12)~~ (13) "Contract", as distinguished from "agreement", 92
means the total legal obligation that results from the parties' 93
agreement as determined by Chapters 1301., 1302., 1303., 1304., 94
1305., 1307., 1308., 1309., and 1310. of the Revised Code as 95
supplemented by any other applicable laws. 96

~~(13)~~ (14) "Creditor" includes a general creditor, a 97
secured creditor, a lien creditor, and any representative of 98
creditors, including an assignee for the benefit of creditors, a 99
trustee in bankruptcy, a receiver in equity, and an executor or 100
administrator of an insolvent debtor's or assignor's estate. 101

~~(14)~~ (15) "Defendant" includes a person in the position 102
of defendant in a counterclaim, cross-claim, or third-party 103
claim. 104

~~(15)~~ (16) "Delivery" with respect to an electronic 105

document of title means voluntary transfer of control and with 106
respect to an instrument, a tangible document of title, or 107
chattel paper, means voluntary transfer of possession. 108

~~(16)~~(17) "Document of title" means a record (i) that in 109
the regular course of business or financing is treated as 110
adequately evidencing that the person in possession or control 111
of the record is entitled to receive, control, hold, and dispose 112
of the record and the goods the record covers and (ii) that 113
purports to be issued by or addressed to a bailee and to cover 114
goods in the bailee's possession which are either identified or 115
are fungible portions of an identified mass. The term includes a 116
bill of lading, transport document, dock warrant, dock receipt, 117
warehouse receipt, and order for delivery of goods. An 118
electronic document of title means a document of title evidenced 119
by a record consisting of information stored in an electronic 120
medium. A tangible document of title means a document of title 121
evidenced by a record consisting of information that is 122
inscribed on a tangible medium. 123

~~(17)~~(18) "Fault" means a default, breach, or wrongful act 124
or omission. 125

~~(18)~~(19) "Fungible goods" means: 126

(a) Goods of which any unit, by nature or usage of trade, 127
is the equivalent of any other like unit; or 128

(b) Goods that by agreement are treated as equivalent. 129

~~(19)~~(20) "Genuine" means free of forgery or 130
counterfeiting. 131

~~(20)~~(21) "Good faith," except as otherwise provided in 132
Chapter 1305. of the Revised Code, means honesty in fact and the 133
observance of reasonable commercial standards of fair dealing. 134

(21) -(22) "Holder" means:	135
(a) The person in possession of a negotiable instrument	136
that is payable either to bearer or to an identified person that	137
is the person in possession;	138
(b) The person in possession of a negotiable tangible	139
document of title if the goods are deliverable either to bearer	140
or to the order of the person in possession; or	141
(c) The person in control of a negotiable electronic	142
document of title.	143
(22) -(23) "Insolvency proceeding" includes an assignment	144
for the benefit of creditors or other proceeding intended to	145
liquidate or rehabilitate the estate of the person involved.	146
(23) -(24) "Insolvent" means:	147
(a) Having generally ceased to pay debts in the ordinary	148
course of business other than as a result of a bona fide	149
dispute;	150
(b) Being unable to pay debts as they become due; or	151
(c) Being insolvent within the meaning of federal	152
bankruptcy law.	153
(24) -(25) "Money" means a medium of exchange currently	154
authorized or adopted by a domestic or foreign government. The	155
term includes a monetary unit of account established by an	156
intergovernmental organization or by agreement between two or	157
more countries. <u>The term does not include a central bank digital</u>	158
<u>currency.</u>	159
(25) -(26) "Organization" means a person other than an	160
individual.	161

~~(26)~~(27) "Party", as distinguished from "third party", 162
means a person that has engaged in a transaction or made an 163
agreement subject to Chapters 1301., 1302., 1303., 1304., 1305., 164
1307., 1308., 1309., and 1310. of the Revised Code. 165

~~(27)~~(28) "Person" means an individual, corporation, 166
business trust, estate, trust, partnership, limited liability 167
company, association, joint venture, government, governmental 168
subdivision, agency, or instrumentality, public corporation, or 169
any other legal or commercial entity. 170

~~(28)~~(29) "Present value" means the amount as of a date 171
certain of one or more sums payable in the future, discounted to 172
the date certain by use of either an interest rate specified by 173
the parties if that rate is not manifestly unreasonable at the 174
time the transaction is entered into or, if an interest rate is 175
not so specified, a commercially reasonable rate that takes into 176
account the facts and circumstances at the time the transaction 177
is entered into. 178

~~(29)~~(30) "Purchase" means taking by sale, lease, 179
discount, negotiation, mortgage, pledge, lien, security 180
interest, issue or reissue, gift, or any other voluntary 181
transaction creating an interest in property. 182

~~(30)~~(31) "Purchaser" means a person that takes by 183
purchase. 184

~~(31)~~(32) "Record" means information that is inscribed on 185
a tangible medium or that is stored in an electronic or other 186
medium and is retrievable in perceivable form. 187

~~(32)~~(33) "Remedy" means any remedial right to which an 188
aggrieved party is entitled with or without resort to a 189
tribunal. 190

~~(33)~~ (34) "Representative" means a person empowered to act 191
for another, including an agent, an officer of a corporation or 192
association, and a trustee, executor, or administrator of an 193
estate. 194

~~(34)~~ (35) "Right" includes remedy. 195

~~(35)~~ (36) "Security interest" means an interest in 196
personal property or fixtures which secures payment or 197
performance of an obligation. "Security interest" includes any 198
interest of a consignor and a buyer of accounts, chattel paper, 199
a payment intangible, or a promissory note in a transaction that 200
is subject to Chapter 1309. of the Revised Code. "Security 201
interest" does not include the special property interest of a 202
buyer of goods on identification of those goods to a contract 203
for sale under section 1302.42 of the Revised Code, but a buyer 204
may also acquire a "security interest" by complying with Chapter 205
1309. of the Revised Code. Except as otherwise provided in 206
section 1302.49 of the Revised Code, the right of a seller or 207
lessor of goods under Chapter 1302. or 1310. of the Revised Code 208
to retain or acquire possession of the goods is not a "security 209
interest", but a seller or lessor may also acquire a "security 210
interest" by complying with Chapter 1309. of the Revised Code. 211
The retention or reservation of title by a seller of goods 212
notwithstanding shipment or delivery to the buyer under section 213
1302.42 of the Revised Code is limited in effect to a 214
reservation of a "security interest." Whether a transaction in 215
the form of a lease creates a "security interest" is determined 216
pursuant to section 1301.203 of the Revised Code. 217

~~(36)~~ (37) "Send" in connection with any writing, record, 218
or notice means: 219

(a) To deposit in the mail or deliver for transmission by 220

any other usual means of communication with postage or cost of 221
transmission provided for and properly addressed and, in the 222
case of an instrument, to an address specified thereon or 223
otherwise agreed, or if there be none to any address reasonable 224
under the circumstances; or 225

(b) In any other way to cause to be received any record or 226
notice within the time it would have arrived if properly sent. 227

~~(37)~~ (38) "Signed" includes using any symbol executed or 228
adopted with present intention to adopt or accept a writing. 229

~~(38)~~ (39) "State" means a state of the United States, the 230
District of Columbia, Puerto Rico, the United States Virgin 231
Islands, or any territory or insular possession subject to the 232
jurisdiction of the United States. 233

~~(39)~~ (40) "Surety" includes a guarantor or any other 234
secondary obligor. 235

~~(40)~~ (41) "Term" means a portion of an agreement that 236
relates to a particular matter. 237

~~(41)~~ (42) "Unauthorized signature" means a signature made 238
without actual, implied, or apparent authority. The term 239
includes a forgery. 240

~~(42)~~ (43) "Warehouse receipt" means a document of title 241
issued by a person engaged in the business of storing goods for 242
hire. 243

~~(43)~~ (44) "Writing" includes printing, typewriting, or any 244
other intentional reduction to tangible form. "Written" has a 245
corresponding meaning. 246

Section 2. That existing section 1301.201 of the Revised 247
Code is hereby repealed. 248