



# Uniform Law Commission

The National Conference of Commissioners on Uniform State Laws

## RHODE ISLAND COMMISSION ON UNIFORM STATE LAWS

Thomas S. Hemmendinger, chairperson  
362 Broadway | Providence, RI 02909  
Mob. (401) 486-8143 | Office (401) 453-2300  
Fax (401) 453-2345  
E-mail [themmendinger@brasm.com](mailto:themmendinger@brasm.com)

Patrick A. Guida, legislative liaison  
1 Financial Plaza, 18th Floor | Providence, RI 02903  
Tel. (401) 455-0700 | Fax (401) 455-0701  
E-mail [pguida@duffvsweeney.com](mailto:pguida@duffvsweeney.com)

[www.uniformlaws.org](http://www.uniformlaws.org)

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Corporations Committee  
Rhode Island House of Representatives

Re: H5511 technical corrections to Uniform Commercial Code (UCC)  
Electronic Documents of Title

Mr. Chairperson and members of the Committee:

Thank you for the opportunity to testify about this bill on behalf of the State of Rhode Island's Commission on Uniform State Laws. For over 100 years, the Commission has been part of the Uniform Law Commission. The ULC is a government organization composed of commissions from all 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands.

In 2006, Rhode Island adopted revised Article 7 to the UCC to allow for electronic documents of title, including bills of lading and warehouse receipts. As of now, all 50 states and the D.C. have adopted these provisions. Electronic documents of title are in wide use nationally and internationally. They streamline the transportation, storage and distribution of goods.

Unfortunately, the 2006 Rhode Island bill included the following drafting errors that undermine the ability of businesses to use electronic documents in Rhode Island:

- 1) Conforming amendments to the Article 1 definitions of "bearer", "bill of lading", "document of title", and "warehouse receipt" were shown in strike-out rather than underline, whereas the provisions they were to replace were shown as new text.
- 2) Other conforming amendments to other Articles failed to use the statutorily-defined term "document of title" or to specify that a person could hold a document of title by "control" (the electronic analog to possession of a paper document).
- 3) A typographical error in a statutory cross-reference.

H5511 corrects these errors and will help Rhode Island's economy by ensuring that we stay competitive with other states on supply chain modernization.

We urge you to recommend that the House of Representatives pass this bill as soon as possible.

We will do our best to answer any questions you may have.

Very truly yours,

Thomas S. Hemmendinger, Chair