

SESSION OF 2016

**SUPPLEMENTAL NOTE ON SUBSTITUTE FOR HOUSE  
BILL NO. 2062**

As Recommended by House Committee on  
Judiciary

**Brief\***

Sub. for HB 2062 would amend provisions of the Uniform Commercial Code (UCC) concerning remittance transfers as defined in the federal Electronic Fund Transfer Act (EFTA). The bill would provide that state law would apply to a remittance transfer unless it is an electronic fund transfer, as defined in the EFTA. In a funds transfer where state law would apply, the EFTA would govern in the event of an inconsistency.

The bill also would make technical amendments to the UCC.

**Background**

HB 2062, as introduced, would have amended the definitions of the crimes of breach of privacy and blackmail.

The House Committee on Judiciary agreed to replace the original contents of the bill with the text of Senate Sub. for HB 2124, concerning the UCC.

**HB 2124.** At the House Judiciary Committee hearing, a law professor and a representative of the Kansas Bankers Association appeared in support of HB 2124. They explained the EFTA does not apply to all remittance transfers, and the proposed amendment, which was recommended by the

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\*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>

Uniform Law Commission, would clarify when state law should control. Kansas is one of only six states that has not enacted these suggested changes. There was no other testimony.

The House Committee recommended the bill be placed on the Consent Calendar.

The same proponents appeared in support of the bill in the Senate Committee on Judiciary. There was no other testimony.

The Senate Committee agreed to make technical amendments to other provisions in the UCC and include those with the original contents in a substitute bill.

The fiscal note prepared by the Division of the Budget indicates HB 2124, as introduced, would have no fiscal effect on the Office of Judicial Administration.