
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1370 Session of
2021

INTRODUCED BY N. NELSON, PISCIOTTANO, KENYATTA, RYAN, JAMES,
SANCHEZ AND LEE, JULY 30, 2021

REFERRED TO COMMITTEE ON COMMERCE, JULY 30, 2021

AN ACT

1 Allowing for a waiver for innovative financial products or
2 services; providing for duties of the Secretary of the
3 Department of Banking and Securities and the Secretary of the
4 Commonwealth; and establishing the Pennsylvania Economic
5 Growth and State Utility Account.

6 The General Assembly of the Commonwealth of Pennsylvania
7 hereby enacts as follows:

8 Section 1. Short title.

9 This act shall be known and may be cited as the Pennsylvania
10 Economic Growth and State Utility Act.

11 Section 2. Findings.

12 The General Assembly finds and declares:

13 (1) It is declared to be the policy of the State to
14 promote a vigorous and growing economy, to prevent economic
15 stagnation, and to encourage the creation of new job
16 opportunities in order to ameliorate the hazards of
17 unemployment and underemployment, reduce the level of public
18 assistance, increase revenues to the State and its
19 municipalities and to achieve a stable diversified economy.

1 (2) The General Assembly understands that to compete in
2 the 21st century, the Commonwealth must offer one of the best
3 business environments in the United States for blockchain and
4 technology innovators and should offer a comprehensive
5 regulatory technology sandbox for these innovators to develop
6 the next generation of digital products and services in the
7 Commonwealth.

8 (3) Building a more robust public-private partnership
9 framework is mandatory for economic success.

10 (4) The Commonwealth understands that further developing
11 technology industries within a robust public-private
12 partnership brings better efficiency, trust and
13 accountability between the Commonwealth, businesses and
14 residents.

15 (5) The Commonwealth understands a public-private
16 partnership developing an immutable interagency-industry-
17 operability blockchain filing system is vital and
18 redevelopment investment in opportunity zones that shall
19 install, maintain and organize within the system of
20 blockchain records throughout the State is advantageous.

21 (6) Financial and health technology is undergoing a
22 transformational period in which new technologies are
23 providing greater automation, connectivity and transparency
24 for provenance of products and services. Additionally:

25 (i) Existing legal frameworks are restricting
26 technology innovation because these frameworks were
27 largely established at a time when technology was not a
28 fundamental component of products and services.

29 (ii) Technology innovators require a supervised,
30 flexible regulatory sandbox to test new products and

1 services using waivers of specified statutes and rules
2 under defined conditions.

3 (iii) Jurisdictions which establish regulatory
4 sandboxes are more likely to provide a welcoming business
5 environment for technology innovators and may experience
6 significant business growth.

7 (iv) Other jurisdictions have enacted, or are
8 considering, regulatory sandboxes for financial
9 technology innovators in their jurisdictions.

10 (v) Other jurisdictions have enacted, or are
11 considering public-private partnerships for health
12 technology innovators in their jurisdictions.

13 (vi) Other jurisdictions have enacted or are
14 considering blockchain track and trace identifiers for
15 highly regulated products and industry such as hemp
16 while recognizing there are legitimate concerns on
17 implementing a widespread hemp industry in the State,
18 necessitating incremental rollout of newly licensed and
19 credentialed entities to best ensure public health and
20 safety.

21 (vii) The General Assembly seeks to establish a best
22 in the nation blockchain technology hub for 21st century
23 commerce that will increase economic opportunity,
24 including highly regulated industries that otherwise left
25 unchecked could cause continued harm to public health and
26 safety.

27 (7) The rapid innovation of blockchain technology,
28 including the growing use of virtual currency and other
29 digital assets has resulted in many blockchain innovators
30 being unable to access secure and reliable banking services

1 thereby hampering development of blockchain services and
2 products in the marketplace.

3 (8) Federally insured financial institutions are not
4 generally permitted to manage accounts in virtual currency or
5 hold other digital assets.

6 (9) Blockchain innovators have greater compliance
7 challenges with Federal customer identification, anti-money
8 laundering and beneficial ownership requirements because of
9 the complex nature of these obligations and the unfamiliarity
10 of regulators with blockchain innovators' businesses.

11 (10) These intricate obligations have resulted in many
12 financial institutions in this Commonwealth and across the
13 United States refusing to provide banking services to
14 blockchain innovators and also refusing to accept deposits in
15 United States currency obtained from the sale of virtual
16 currency or other digital assets.

17 (11) Compliance with applicable Federal and State laws
18 is critical to ensuring the future growth and reputation of
19 the blockchain and technology industries as a whole.

20 (12) Most financial institutions today do not have the
21 requisite expertise or familiarity with the challenges facing
22 blockchain innovators which is required to provide secure and
23 reliable banking services to these innovators.

24 (13) A new type of financial payments and depository
25 institution that has expertise with customer identification,
26 anti-money laundering and beneficial ownership requirements
27 could seamlessly integrate these requirements into its
28 operating model in this Commonwealth.

29 (14) Authorizing special purpose depository institutions
30 to be chartered in this Commonwealth will provide a necessary

1 and valuable service to blockchain innovators, emphasize the
2 Commonwealth's partnership with the technology and financial
3 industry and safely grow the State's developing financial
4 sector.

5 Section 3. Definitions.

6 The following words and phrases when used in this act shall
7 have the meanings given to them in this section unless the
8 context clearly indicates otherwise:

9 "Blockchain." A digital ledger or database which is
10 chronological, consensus-based, decentralized and mathematically
11 verified in nature.

12 "Consumer." A person in this Commonwealth that purchases or
13 enters into an agreement to receive an innovative financial
14 product or service made available through the financial
15 technology sandbox.

16 "Financial product or service." A product or service related
17 to finance, including banking, securities, consumer credit or
18 money transmission, which is subject to statutory requirements
19 and is under the jurisdiction of the secretary or the Secretary
20 of the Commonwealth.

21 "Financial technology sandbox." The program created by this
22 act which allows a person to make an innovative financial
23 product or service available to consumers during a sandbox
24 period through a waiver of statutory requirements.

25 "Innovative." The use or incorporation of a new idea, a new
26 or emerging technology or a new use of existing technology,
27 including blockchain technology, to address a problem, provide a
28 benefit or otherwise offer a product, service, business model or
29 delivery mechanism.

30 "PEGASUS Account." The Pennsylvania Economic Growth and

1 State Utility Systems Account.

2 "Sandbox period." The period of time, initially not longer
3 than 24 months, in which the secretary or Secretary of the
4 Commonwealth has authorized an innovative financial product or
5 service to be made available to consumers, including an
6 extension granted under section 9.

7 "Secretary." The Secretary of Banking and Securities of the
8 Commonwealth.

9 "Statute." A statute or regulation of this Commonwealth.
10 Section 4. Financial technology sandbox waiver.

11 (a) Waiver.--Notwithstanding any other provision of law, a
12 person that makes an innovative financial product or service
13 available to consumers in the financial technology sandbox may
14 be granted a waiver of specified requirements imposed by statute
15 listed under this subsection, if the statute does not permit the
16 product or service to be made available to consumers. A waiver
17 under this subsection shall be no broader than necessary to
18 accomplish the purposes and standards set forth in this act. The
19 following may be waived under this subsection:

20 (1) A statute that regulates licensing of a product in
21 order for the product to be offered to a consumer.

22 (2) A statute that regulates disclosures, except if the
23 disclosure is required under Federal law.

24 (3) A statute that regulates interest rates.

25 (4) A statute that regulates the taking of a deposit.

26 (5) A statute that provides for anti-fraud regulations
27 that require issuers of securities to be registered and to
28 disclose details of the issuer's offerings.

29 (6) A statute that regulates cryptocurrency.

30 (b) Liability.--

1 (1) Subject to paragraph (2), a person that makes an
2 innovative financial product or service available to a
3 consumer in the financial technology sandbox shall:

4 (i) not be immune from civil damages for acts and
5 omissions relating to this act; and

6 (ii) be subject to criminal and consumer protection
7 laws.

8 (2) A person that makes an innovative financial product
9 or service available to a consumer in the financial
10 technology sandbox shall not be subject to a higher level of
11 liability than the person would be subject to if the
12 innovative financial product or service was made available to
13 a consumer outside of the financial technology sandbox.

14 (c) Enforcement.--The secretary or the Secretary of the
15 Commonwealth may refer suspected violations of law relating to
16 this act to appropriate Federal or State agencies for
17 investigation, prosecution, civil penalties and other
18 appropriate enforcement actions.

19 (d) Service of process.--If service of process on a person
20 making an innovative financial product or service available to
21 consumers in the financial technology sandbox is not feasible,
22 service on the Secretary of the Commonwealth shall be deemed
23 service on the person.

24 Section 5. Financial technology sandbox application and
25 approval.

26 (a) Application.--The following apply:

27 (1) A person shall apply to the secretary or the
28 Secretary of the Commonwealth to make an innovative financial
29 product or service available to consumers in the financial
30 technology sandbox, based on the agency that administers the

1 statute for which a waiver is sought. If both the secretary
2 and the Secretary of the Commonwealth jointly administer a
3 statute, or if the appropriate office is not known, an
4 application may be filed with either the secretary or the
5 Secretary of the Commonwealth.

6 (2) If an application is filed with an office that does
7 not administer the statute for which a waiver is sought, the
8 receiving office shall forward the application to the correct
9 office. The person shall specify in an application the
10 statutory requirements for which a waiver is sought and the
11 reasons why the requirements prohibit the innovative
12 financial product or service from being made available to
13 consumers. The application shall contain the elements
14 required for authorization under subsection (f). The
15 secretary and the Secretary of the Commonwealth shall each,
16 by rule, prescribe a method of application.

17 (b) Business entities.--A business entity making an
18 application under this section must be a domestic corporation or
19 other organized domestic entity with a physical presence, other
20 than that of a registered office or agent located in this
21 Commonwealth.

22 (c) Consent required.--Before an employee applies on behalf
23 of an institution, firm or other entity intending to make an
24 innovative financial product or service available through the
25 financial technology sandbox, the employee must obtain the
26 consent of the institution, firm or entity before filing an
27 application under this section.

28 (d) Background check.--

29 (1) The individual filing an application under this
30 section and the individuals who are substantially involved in

1 the development, operation or management of the innovative
2 financial product or service must submit the following
3 information with an application filed under this section:

4 (i) Under 18 Pa.C.S. Ch. 91 (relating to criminal
5 history record information), a report of criminal history
6 record information from the Pennsylvania State Police or
7 a statement from the Pennsylvania State Police that the
8 Pennsylvania State Police central repository contains no
9 criminal history record information relating to that
10 individual. The criminal history record information shall
11 be limited to that which is disseminated under 18 Pa.C.S.
12 § 9121(b)(2) (relating to general regulations).

13 (ii) A report of Federal criminal history record
14 information.

15 (2) An individual submitting information under paragraph
16 (1)(ii) must submit a full set of fingerprints to the
17 Pennsylvania State Police for the purpose of a record check
18 and the Pennsylvania State Police or its authorized agent
19 shall submit the fingerprints to the Federal Bureau of
20 Investigation for the purpose of verifying the identity of
21 the applicant and obtaining a current record of criminal
22 arrests and convictions.

23 (e) Fee.--An application made under this section must be
24 accompanied by a fee of \$500. The fee shall be deposited into
25 the PEGASUS Account as provided in section 6.

26 (f) Approvals and denials.--The secretary or the Secretary
27 of the Commonwealth, as applicable, shall authorize or deny a
28 financial technology sandbox application in writing within 90
29 days of receiving the application. The secretary or the
30 Secretary of the Commonwealth and the person that made an

1 application may jointly agree to extend the time beyond 90 days.
2 The secretary or the Secretary of the Commonwealth may impose
3 conditions on an authorization, consistent with this act. In
4 determining whether to authorize or deny an application under
5 this subsection, the secretary or the Secretary of the
6 Commonwealth shall consider each of the following:

7 (1) The nature of the innovative financial product or
8 service proposed to be made available to consumers in the
9 sandbox, including relevant technical details, which may
10 include if the product or service utilizes blockchain
11 technology.

12 (2) The potential risk to consumers and methods which
13 will be used to protect consumers and resolve complaints
14 during the sandbox period.

15 (3) A business plan proposed by the person applying,
16 including a statement of arranged capital.

17 (4) If the person has the necessary personnel, adequate
18 financial and technical expertise and a sufficient plan to
19 test, monitor and assess the innovative financial product or
20 service.

21 (5) If a person substantially involved in the
22 development, operation or management of the innovative
23 financial product or service has been convicted of, or is
24 currently under investigation for, fraud, Federal or State
25 securities violations or any property-based offense.

26 (6) A copy of the disclosures required under section
27 7(c) that will be provided to consumers.

28 (7) If a competitor to the applicant was recently
29 granted access to the financial technology sandbox within
30 three months of the date of the application, for the purpose

1 of mitigating competitive risk.

2 (8) Any other factor that the secretary or the Secretary
3 of the Commonwealth determines to be relevant.

4 (g) Duties of secretary or Secretary of the Commonwealth.--

5 (1) The secretary or the Secretary of the Commonwealth
6 shall, within 60 days of the effective date of this section,
7 determine the factors that shall be considered as part of the
8 application process The factors shall be transmitted to the
9 Legislative Reference Bureau for publication in the
10 Pennsylvania Bulletin. Any change to the factors shall be
11 submitted to the Legislative Reference Bureau for publication
12 in the Pennsylvania Bulletin within 30 days of the change.

13 (2) If an application is authorized under subsection
14 (f), the secretary or the Secretary of the Commonwealth shall
15 specify the statutory requirements for which a waiver is
16 granted and the length of the initial sandbox period. The
17 secretary or the Secretary of the Commonwealth shall post
18 notice of the approval of a sandbox application under this
19 subsection, a summary of the innovative financial product or
20 service and the contact information of the person making the
21 product or service available through the sandbox on the
22 publicly accessible Internet website of the secretary or the
23 Secretary of the Commonwealth.

24 (3) If an application is denied under subsection (f),
25 the secretary or the Secretary of the Commonwealth shall
26 specify the reasons for denial.

27 (h) Consumer protection bond.--A person authorized under
28 subsection (f) to enter into the financial technology sandbox
29 shall post a consumer protection bond with the secretary or the
30 Secretary of the Commonwealth as security for potential losses

1 suffered by consumers. The bond amount shall be determined by
2 the secretary or the Secretary of the Commonwealth in an amount
3 not less than \$10,000 and shall be commensurate with the risk
4 profile of the innovative financial product or service. The
5 secretary or the Secretary of the Commonwealth may require that
6 a bond under this subsection be increased or decreased at any
7 time based on risk profile. Unless a bond is enforced under
8 section 10(b)(2), the secretary or the Secretary of the
9 Commonwealth shall cancel or allow the bond to expire two years
10 after the date of the conclusion of the sandbox period.

11 (i) State licensure.--A person authorized under subsection
12 (f) to enter into the financial technology sandbox shall be
13 deemed to possess an appropriate license for the purposes of
14 Federal law requiring State licensure or authorization.

15 (j) Property right not created.--Authorization under
16 subsection (f) shall not be construed to create a property
17 right.

18 Section 6. Pennsylvania Economic Growth and State Utility
19 Systems Account.

20 (a) Establishment.--The Pennsylvania Economic Growth and
21 State Utility Systems Account is established in the State
22 Treasury. Money within the PEGASUS Account shall only be
23 expended by legislative appropriation. Money within the PEGASUS
24 Account shall be invested by the State Treasurer and investment
25 earnings from the PEGASUS Account shall be credited to the
26 General Fund. The PEGASUS Account shall be divided into two
27 subaccounts controlled by the secretary and the Secretary of the
28 Commonwealth, respectively, for the purposes of administrative
29 management. For the purposes of accounting and investing only,
30 the subaccounts shall be treated as separate accounts.

1 (b) Deposits.--Subject to legislative appropriation,
2 application fees remitted to the PEGASUS Account under section
3 5(e) shall be deposited into the subaccount controlled by the
4 secretary or the Secretary of the Commonwealth, as applicable,
5 based on the receiving official. The money, and any additional
6 money appropriated by the General Assembly, shall be used only
7 for the purposes of administering this act, including processing
8 of sandbox applications and monitoring, examination and
9 enforcement activities relating to this act. The General
10 Assembly may appropriate Federal money received by the
11 Commonwealth under the American Rescue Plan Act of 2021 (Public
12 Law 117-2, 135 Stat. 4) to the PEGASUS Account.

13 Section 7. Operation of financial technology sandbox.

14 (a) Authorization.--Except as otherwise provided under
15 section 9, a person authorized under section 5(f) to enter into
16 the financial technology sandbox may make an innovative
17 financial product or service available to consumers during the
18 sandbox period.

19 (b) Limitation.--The secretary or the Secretary of the
20 Commonwealth may, on a case by case basis, specify the maximum
21 number of consumers permitted to receive an innovative financial
22 product or service, after consultation with the person
23 authorized under section 5(f) to make the product or service
24 available in the financial technology sandbox.

25 (c) Written statement.--Before a consumer purchases or
26 enters into an agreement to receive an innovative financial
27 product or service through the financial technology sandbox, the
28 person making the product or service available shall provide to
29 the customer a written statement of the following:

30 (1) The name and contact information of the person

1 making the product or service available to consumers.

2 (2) That the product or service has been authorized to
3 be made available to consumers for a temporary period by the
4 secretary or the Secretary of the Commonwealth, as
5 applicable.

6 (3) That the Commonwealth does not endorse the product
7 or service and is not subject to liability for losses or
8 damages caused by the product or service.

9 (4) That the product or service is undergoing testing,
10 may not function as intended and may entail financial risk.

11 (5) That the person making the product or service
12 available to consumers is not immune from civil liability for
13 any losses or damages caused by the product or service.

14 (6) The expected end date of the sandbox period.

15 (7) The name and contact information of the secretary or
16 the Secretary of the Commonwealth, as applicable, and
17 notification that suspected legal violations, complaints or
18 other comments related to the product or service may be
19 submitted to the secretary or the Secretary of the
20 Commonwealth.

21 (8) Any other statements or disclosures required by rule
22 of the secretary or the Secretary of the Commonwealth which
23 are necessary to further the purposes of this act.

24 (d) Recordkeeping.--A person authorized to make an
25 innovative financial product or service available to consumers
26 in the financial technology sandbox shall maintain comprehensive
27 records relating to the innovative financial product or service.
28 The person shall keep the records for not less than five years
29 after the conclusion of the sandbox period. The secretary and
30 the Secretary of the Commonwealth may specify further records

1 requirements under this subsection by rule.

2 (e) Record examination.--The secretary or the Secretary of
3 the Commonwealth, as applicable, may examine the records
4 maintained under subsection (d) at any time, with or without
5 notice. Direct and indirect costs of an examination conducted
6 under this subsection shall be paid by the person making the
7 innovative financial product or service available in the
8 financial technology sandbox. Records made available to the
9 secretary or the Secretary of the Commonwealth under this
10 subsection shall be confidential and shall not be subject to
11 disclosure under the act of February 14, 2008 (P.L.6, No.3),
12 known as the Right-to-Know Law, but may be released to
13 appropriate Federal or State agencies for the purposes of
14 investigation.

15 (f) Written notice.--Unless granted an extension under
16 section 9, not less than 30 days before the conclusion of the
17 sandbox period, a person who makes an innovative financial
18 product or service available in the financial technology sandbox
19 shall provide written notification to consumers regarding the
20 conclusion of the sandbox period and may not make the product or
21 service available to a new consumer after the conclusion of the
22 sandbox period until legal authority outside of the sandbox
23 exists to make the product or service available to consumers.
24 The person shall wind down operations with existing consumers
25 within 60 days after the conclusion of the sandbox period,
26 except that, after the 60th day, the person may:

27 (1) Collect and receive money owed to the person and
28 service loans made by the person, based on agreements with
29 consumers made before the conclusion of the sandbox period.

30 (2) Take necessary legal action.

1 (3) Take other actions authorized by the secretary or
2 the Secretary of the Commonwealth by rule which are not
3 inconsistent with this subsection.

4 (g) Multiple jurisdictions allowed.--The secretary and the
5 Secretary of the Commonwealth may, jointly or separately, enter
6 into agreements with Federal, State or foreign regulatory
7 agencies to allow persons that make an innovative financial
8 product or service available in this Commonwealth through the
9 financial technology sandbox to make the products or services
10 available in other jurisdictions and to allow a person operating
11 in similar financial technology sandboxes in other jurisdictions
12 to make innovative financial products and services available in
13 this Commonwealth.

14 (h) Disclosure.--

15 (1) If an application was granted under subsection (f),
16 each agency that administers the statute for which the waiver
17 was sought in the application shall disclose non-proprietary
18 information for each relevant innovative financial product or
19 service:

20 (i) on the agency's publicly accessible Internet
21 website; and

22 (ii) by sending the information to the Banking and
23 Insurance Committee of the Senate and the Commerce
24 Committee of the House of Representatives.

25 (2) The Banking and Insurance Committee of the Senate
26 and the Commerce Committee of the House of Representatives
27 shall schedule legislative hearings on the information
28 provided under paragraph (1)(ii) at least once each year.

29 Section 8. Revocation or suspension of financial technology
30 sandbox authorization.

1 (a) Revocation or suspension.--The secretary or the
2 Secretary of the Commonwealth may, by order, revoke or suspend
3 authorization granted to a person under section 5(f) if:

4 (1) The person has violated or refused to comply with
5 this act or a regulation, rule, order or decision promulgated
6 or adopted by the secretary or the Secretary of the
7 Commonwealth.

8 (2) A fact or condition exists that, if it had existed
9 or become known at the time of the financial technology
10 sandbox application, would have warranted denial of the
11 application or the imposition of material conditions.

12 (3) A material error, false statement, misrepresentation
13 or material omission was made in the financial technology
14 sandbox application.

15 (4) After consultation with the person, continued
16 testing of the innovative financial product or service would:

17 (i) be likely to harm consumers; or

18 (ii) no longer serve the purposes of this act
19 because of the financial or operational failure of the
20 product or service.

21 (b) Service.--Written notification of a revocation or
22 suspension order made under subsection (a) shall be served using
23 any means authorized by law and if the notice relates to a
24 suspension, include any conditions or remedial action which
25 shall be completed before the suspension will be lifted by the
26 secretary or the Secretary of the Commonwealth.

27 Section 9. Extension of sandbox period.

28 A person granted authorization under section 5(f) may apply
29 for an extension of the initial sandbox period for not more than
30 12 additional months. An application for an extension shall be

1 made not later than 60 days before the conclusion of the initial
2 sandbox period specified by the secretary or the Secretary of
3 the Commonwealth. The secretary or the Secretary of the
4 Commonwealth shall approve or deny the application for extension
5 in writing not later than 35 days before the conclusion of the
6 initial sandbox period. An application for extension by a person
7 shall cite one of the following reasons as the basis for the
8 application and provide relevant supporting information that:

9 (1) A statutory amendment is necessary to conduct
10 business in this Commonwealth on a permanent basis.

11 (2) An application for a license or other authorization
12 required to conduct business in this Commonwealth on a
13 permanent basis has been filed with the appropriate office
14 and approval is currently pending.

15 (3) The person needs more data to complete testing, if
16 the amount of data and the time frame for obtaining the data
17 are reasonable.

18 Section 10. Rules and orders, enforcement of bond and
19 restitution.

20 (a) Rules.--The secretary and the Secretary of the
21 Commonwealth shall each adopt rules to implement this act within
22 90 days following the effective date of this subsection. The
23 rules adopted by the secretary and the Secretary of the
24 Commonwealth under this subsection shall be as consistent as
25 reasonably possible, but shall account for differences in the
26 statutes and programs administered by the secretary and the
27 Secretary of the Commonwealth. Rules adopted under this
28 subsection shall not take effect until January 1, 2022.

29 (b) Orders.--The secretary or the Secretary of the
30 Commonwealth may issue:

1 (1) Necessary orders to enforce this act, including
2 ordering the payment of restitution, and enforce the orders
3 in any court of competent jurisdiction.

4 (2) An order under paragraph (1) to enforce the bond
5 posted under section 5(h), or a portion of the bond, and use
6 proceeds from the bond to offset losses suffered by consumers
7 as a result of an innovative financial product or service.

8 Section 11. Access to and dissemination of criminal history
9 information.

10 Criminal history record information shall only be
11 disseminated by criminal justice agencies in this Commonwealth,
12 whether directly or through any intermediary, to the secretary
13 or the Secretary of the Commonwealth for purposes of obtaining
14 background information under section 5(d) as part of a financial
15 technology sandbox application.

16 Section 12. National or State criminal history record
17 information.

18 A person specified in section 5(d) as part of a financial
19 technology sandbox application shall submit to fingerprinting in
20 order to obtain national and State criminal history record
21 information required under this act.

22 Section 13. Electronic records and signatures.

23 This act shall modify, limit and supersede the Electronic
24 Signatures in Global and National Commerce Act (Public Law 106-
25 229, 15 U.S.C. § 7001 et seq.), but shall not modify, limit or
26 supersede section 101(c) of the Electronic Signatures in Global
27 and National Commerce Act (15 U.S.C. § 7001(c)) or authorize
28 electronic delivery of any of the notices described in section
29 103(b) of the Electronic Signatures in Global and National
30 Commerce Act (15 U.S.C. § 7003(b)). This act authorizes the

1 filing of records and signatures, if specified by provisions of
2 this act or by a rule adopted or order issued under this act, in
3 a manner consistent with section 104(a) of the Electronic
4 Signatures in Global and National Commerce Act (15 U.S.C. §
5 7004(a)).

6 Section 14. Effective date.

7 This act shall take effect in 60 days.