

**SENATE, No. 2242**

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**STATE OF NEW JERSEY**  
**215th LEGISLATURE**

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INTRODUCED OCTOBER 4, 2012

**Sponsored by:**

**Senator RAYMOND J. LESNIAK**

**District 20 (Union)**

**Senator NICHOLAS P. SCUTARI**

**District 22 (Middlesex, Somerset and Union)**

**SYNOPSIS**

Clarifies that the “Uniform Electronic Transactions Act” applies to real estate transactions.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 2/27/2013)**

1 AN ACT concerning certain electronic transactions and amending  
2 P.L.2001, c.116.

3  
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*  
5 *of New Jersey:*

6  
7 1. Section 2 of P.L.2001, c.116 (C.12A:12-2) is amended to read  
8 as follows:

9 2. As used in this act:

10 "Agreement" means the bargain of the parties in fact, as found in  
11 their language or inferred from other circumstances, and from rules,  
12 regulations and procedures given the effect of agreements under  
13 laws otherwise applicable to a particular transaction.

14 "Automated transaction" means a transaction conducted or  
15 performed, in whole or in part, by electronic means or electronic  
16 records, in which the acts or records of one or both parties are not  
17 reviewed by an individual in the ordinary course in forming a  
18 contract, performing under an existing contract or fulfilling an  
19 obligation required by the transaction.

20 "Computer program" means a set of statements or instructions to  
21 be used directly or indirectly in an information processing system in  
22 order to bring about a certain result.

23 "Contract" means the total legal obligation resulting from the  
24 parties' agreement as affected by this act and other applicable law.

25 "Electronic" means relating to technology having **[an]** electrical,  
26 digital, magnetic, wireless, optical, electromagnetic or similar  
27 capabilities.

28 "Electronic agent" means a computer program or an electronic or  
29 other automated means used independently to initiate an action or  
30 respond to electronic records or performances in whole or in part,  
31 without review or action by an individual.

32 "Electronic record" means a record created, generated, sent,  
33 communicated, received or stored by electronic means.

34 "Electronic signature" means an electronic sound, symbol, or  
35 process attached to or logically associated with a record and  
36 executed or adopted by a person with the intent to sign the record.

37 "Governmental agency" means an executive, legislative or  
38 judicial agency, department, board, commission, authority,  
39 institution or instrumentality of the federal government or of a state  
40 or of a county, municipality, or other political subdivision of a state.

41 "Information" means data, text, images, sounds, codes, computer  
42 programs, software, databases or the like.

43 "Information processing system" means an electronic system for  
44 creating, generating, sending, receiving, storing, displaying or  
45 processing information.

**EXPLANATION** – Matter enclosed in bold-faced brackets **[thus]** in the above bill is  
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 "Person" means an individual, corporation, business trust, estate,  
2 trust, partnership, limited liability company, association, joint  
3 venture, governmental agency, public corporation, or any other  
4 legal or commercial entity.

5 "Record" means information that is inscribed on a tangible  
6 medium or that is stored in an electronic or other medium and is  
7 retrievable in perceivable form.

8 "Security procedure" means a procedure employed for the  
9 purpose of verifying that an electronic signature, record or  
10 performance is that of a specific person or for detecting changes or  
11 errors in the information in an electronic record. The term includes  
12 a procedure that requires the use of algorithms or other codes,  
13 identifying words or numbers, encryption, callback or other  
14 acknowledgment procedures.

15 "State" means a state of the United States, the District of  
16 Columbia, Puerto Rico, the United States Virgin Islands, or any  
17 territory or insular possession subject to the jurisdiction of the  
18 United States. The term includes an Indian tribe or band, or  
19 Alaskan native village, which is recognized by a federal law or  
20 formally acknowledged by a state.

21 "Transaction" means an action or set of actions occurring  
22 between two or more persons relating to the conduct of business,  
23 commercial or governmental affairs, including the sale, lease,  
24 exchange or other disposition of any interest in real property, or any  
25 combination thereof.

26 (cf: P.L.2001, c.116, s.2)

27  
28 2. This act shall take effect immediately.  
29  
30

## 31 STATEMENT

32  
33 This bill clarifies that the "Uniform Electronic Transactions  
34 Act," P.L.2001, c.116 (C.12A:12-1 et seq.), (UETA) applies to real  
35 estate transactions. In 2001, the State adopted the UETA, which  
36 was proposed by the National Conference of Commissioners on  
37 Uniform State Laws based on the federal "Electronic Signatures in  
38 Global and National Commerce Act," Pub.L. 106-229, 114 Stat. 464  
39 (2000), popularly known as "federal E-Sign."

40 The "federal E-sign" act, and the State UETA, are intended to  
41 facilitate the use of electronic records and signatures in commerce  
42 by ensuring the validity and legal effect of contracts entered into  
43 electronically. Under the "federal E-sign" act, the definition of  
44 "transaction" specifically includes the sale, lease, exchange or other  
45 disposition of any interest in real property, or any combination  
46 thereof. This bill would amend the State UETA to include similar  
47 language.