

SENATE BILL NO. 2429

Introduced by

Senator Cook

1 A BILL for an Act relating to voidable provisions in computer information agreements.

2 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

3 **SECTION 1. Definitions.** As used in this Act:

- 4 1. "Computer information agreement" means a contract or agreement that falls within
5 the scope of the Uniform Computer Information Transactions Act if that Act applies.
- 6 2. "Enforcing party" is a party to a computer information agreement, including a North
7 Dakota party, who is seeking enforcement of that agreement against a North
8 Dakota party. It is immaterial whether the enforcing party:
- 9 a. Is one or more parties.
- 10 b. Is an individual or a person, including any aggregation of individuals and
11 persons.
- 12 c. Resides or has a primary place of activity or business in this state.
- 13 3. "North Dakota party" is a party to a computer information agreement against whom
14 enforcement of that agreement is sought by the enforcing party and who is:
- 15 a. An individual residing in this state;
- 16 b. A person that has its primary place of activity or business in this state; or
17 c. Any aggregation of those individuals and persons.
- 18 4. "Uniform Computer Information Transactions Act" means the Uniform Computer
19 Information Transactions Act as recommended by the national conference of
20 commissioners on uniform state laws, or any substantially similar Act.

21 **SECTION 2. Choice of law - Voidable - Assignment of law.** Any provision in a
22 computer information agreement stating that the Uniform Computer Information Transactions
23 Act is the governing law of that agreement is voidable by the North Dakota party. If that
24 provision is voided by the North Dakota party, the agreement is governed by North Dakota law

1 unless the parties agree on other governing law. If a computer information agreement does not
2 contain a choice of law provision and the enforcing party requests a court in this state to
3 enforce the agreement under the Uniform Computer Information Transactions Act, the North
4 Dakota party may object to the application of that Act. If the North Dakota party objects, the
5 action may not proceed unless the parties agree on other governing law or the enforcing party
6 accepts North Dakota law as governing the agreement.

7 **SECTION 3. Choice of forum - Voidable.** A provision in a computer information
8 agreement which specifies an exclusive judicial forum other than a court in this state is voidable
9 by the North Dakota party.