

§ 169-2. Legislative findings.

(a) The General Assembly finds that the banking and insurance industry is a major economic driver for the State. The General Assembly also finds that FinTech, InsurTech, and other emerging technologies are undergoing a transformational period and providing greater automation, connectivity, transparency, and opportunity for related products and services. The General Assembly recognizes that these new technologies hold the key for future growth across the State. Further, the General Assembly finds that existing legal and regulatory frameworks are restricting innovation because these frameworks were established largely at a time when technology was not a fundamental component of industry ecosystems, including banking and insurance. Since innovators require a flexible regulatory regimen to test new products, services, and emerging technologies, such as blockchain technology, the General Assembly also finds that adopting taxonomy related to blockchain, smart contracts, and other emerging technologies into State law would provide legal and regulatory clarification and create a more attractive jurisdiction for businesses and individuals who aim to do business in the State.

(b) The General Assembly finds that the technologically neutral drafting of the NC Uniform Electronic Transactions Act (UETA) adequately addresses the legal enforceability of smart contracts, electronic signatures, and electronic recording. Jurisdictions that establish regulatory sandboxes are more likely to provide a welcoming business climate for technology innovators and that this may contribute to significant business growth and economic development in the State.

(c) The General Assembly also finds that investment in broadband infrastructure and technology talent programs in rural North Carolina created a skilled and knowledgeable workforce that may further contribute to significant business growth and economic development in the State. Further, establishing a North Carolina Innovation Council (Innovation Council) would promote entrepreneurial development and support the State's efforts in developing and sustaining a regulatory sandbox. The Innovation Council shall also have as part of its mission the support and development of the banking, insurance, and related industries in a manner that benefits rural, urban, and suburban areas of the State.

(d) The General Assembly finds that certain nonprofit organizations are to be recognized as having a significant contribution for guiding companies through the regulatory sandbox process and providing technical assistance to regulatory sandbox participants. Finally, the General Assembly finds that modernization of relevant banking, insurance, and related laws will contribute to the economic vitality of all areas of the State and will help North Carolina remain competitive in the twenty-first century. (2021-166, s. 1.)