UCITA (1): Background

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The Uniform Computer Information Transactions Act was developed by the National Conference of Commissioners on Uniform State Laws. This proposed general format for state laws covering software licenses and other aspects of electronic commerce has generated controversy ever since it was introduced in 1999. The UCITA potentially has serious ramifications for network and security managers for software acquisition budgets, support costs, privacy, and denial-of-service (DoS) attacks.

In this short series, I will summarize the basics, summarize arguments by proponents and opponents, and comment on the situation.

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In July 1999, the National Conference of Commissioners on Uniform State Laws (NCCUSL) approved the controversial UCITA (Uniform Computer Information Transactions Act) proposal that would create common licensing rules for software and other IT transactions.

UCITA legislation in individual states (henceforth generically referred to as "UCITA") would regulate the sale and licensing of computer software, databases, online information, multimedia and other intellectual property presented in electronic form. The UCITA is sometimes described as a general commercial statute for cyberspace. UCITA-inspired legislation has been introduced to or passed by state legislatures in 15 states and the District of Columbia (complete list at http://www.bmck.com/ecommerce/ucitacom.htm).

Among other protections for vendors, the UCITA provides for

* rigid enforcement of shrink-wrapped licenses even though the buyer may not see or agree to the terms until after the software has been purchased;

* banning reverse engineering of proprietary software;

* allowing vendors to shut down software remotely if they suspect a violation of the licensing terms;

* easier disclaimer of written warranties.

Currently, UCITA is strongly supported by such organizations as the Software & Information Industry Association and by some software vendors such as Microsoft. It is strongly opposed by such organizations as the American Library Association (ALA), Association for Computing Machinery (ACM), Computer Professionals for Social Responsibility (CPSR), Electronic Frontier Foundation (EFF), the Institute of Electrical and Electronics Engineers (IEEE) and by twenty-six state attorneys general.
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In part 2, I'll summarize the arguments presented by supporters of UCITA.

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For more information about the UCITA, see the following Web sites:

For the full text of the Final Act with Comments (August 23, 2001) see <http://www.law.upenn.edu/bll/ulc/ucita/ucita01.htm>

American Library Association (ALA) <http://www.ala.org/washoff/ucita/index.html>

Americans for Fair Electronic Commerce Transactions (AFFECT), formerly 4CITE <http://www.4cite.org/>


Ed Foster's comments (Infoworld Special Report) on UCITA <http://www.infoworld.com/ucita/>

Institute of Electrical and Electronic Engineers (IEEE) UCITA Network <http://www.ieeeusa.org/forum/grassroots/ucita/>


"Why We Must Fight UCITA" by Richard Stallman <http://www.eff.org/IP/DRM/UCITA_UCC2B/20000131_fight_ucita_stallman_paper.html>

UCITA Online <http://www.ucitaonline.com>

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