

UNIFORM COMMERCIAL CODE

By adoption in eight more jurisdictions during 1961, the Uniform Commercial Code now seems to be well on the way toward achieving early enactment by the legislatures of the fifty states. To date, fourteen states have adopted the Code and in practically every state some interest has been shown. In thirteen jurisdictions definite legislative progress has been made, and in the remaining states interest is evidenced by the preparation of annotations, the endorsement by State Bar or Bankers Associations, or the initiation of study groups under the sponsorship of these associations.

In an effort to be of service to readers who are especially interested in the Code's progress and present status throughout the nation, a complete state-by-state survey is compiled below.¹

Alabama: No substantial progress has been made toward adoption of the UCC. A partial annotation service has been furnished by the University of Alabama and a committee of the State Bankers Association is studying the Code.

Alaska: The Code was introduced at the House session in early 1961. By the rules of the State Legislature, proposed bills remain alive between sessions and thus the Code will be before the House in the current session. It is currently being studied by the House Commerce and Labor Committee. There has not been any serious opposition to the Code so far, and it appears that there is a good possibility of enactment at this next session. However, it is reported that if the Legislature becomes preoccupied with more urgent legislation it may be inclined to by-pass the Code, a lengthy bill, for the time being. In that event the bill would die and would have to be reintroduced in 1963.

Arkansas: Adopted; effective January 1, 1962.²

Arizona: No progress has been made except that the Code is now under study by committees of the State Bar and State Bankers Associations.

California: The Code has been introduced in the Legislature and an advisory committee will report on it at the 1963 session. Complete annotations were published in 1961.³

Colorado: There is no indication of any current consideration being given the Code.

Connecticut: Adopted; effective since October, 1961.⁴

Delaware: Legislative action in the near future is very doubtful.

District of Columbia: Congress has taken no action, but the Bar is studying it. All reports are favorable.

Florida: The State Bar Association is in the process of preparing annotations. It is hoped that the Code will be introduced in 1963.

¹ The material herein compiled is largely the result of correspondence with members of the Uniform Law Commissions and legislative reference bureaus of the states. The editors also express their appreciation to Gibson B. Witherspoon, of Meridian, Mississippi, for permission to use information contained in his article, *Prognosis of a Peerless-Perfected Product—The Uniform Commercial Code*, 66 *Com. L.J.* 342 (1961).

² Ark. Stat. Ann. tit. 85 §§ 1-101 to 9-507 (1961).

³ California Annotations to the Proposed Uniform Commercial Code, prepared at the direction of the California Commission on Uniform State Laws (1960).

⁴ Conn. Gen. Stat. Ann. tit. 42A §§ 1-101 to 10-104 (1960).

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Georgia: The 1961 Legislature appointed a Uniform Commercial Code Study Committee which will recommend adoption during the 1962 session. No opposition is expected and efforts have been made to disseminate information about the forthcoming bill.

Hawaii: There is no indication of any current consideration being given the Code.

Idaho: The Idaho Uniform Law Commission began to promote the Code this past year. As a result of the Commission's encouragement, the State Bar Association is now studying it. The Commission is also encouraging studies and forums by local bar associations and is publishing short reviews of each article of the Code. Adoption in 1963 is doubtful because of the limited time available for a complete study to be made. Approval by 1965, however, appears to be likely.

Illinois: Adopted; effective July 1, 1962.⁵

Indiana: The Code was introduced but failed to pass in both 1957 and 1959 although a study committee was created in each session. In 1961 no action was taken. It is noteworthy that Indiana is virtually surrounded by Code states (Kentucky, Illinois, Ohio).

Iowa: The State Bar Association has appropriated money for initial assembling preparatory to studying the Code. In addition, the faculty of the State University of Iowa Law School has indicated its willingness to assist in the preparation for submission to the Legislature.

Kansas: Annotations are being prepared.

Kentucky: Adopted; effective since July, 1960.⁶

Louisiana: No definite legislative action has been taken. There has been discussion of the Code but no report has been received as to any concerted drive toward enactment.

Maine: Enactment in 1963 is very probable. The Code was introduced in the last two legislative sessions but not passed due to preoccupation with other more urgent matters. However, the Judiciary Committee of the Legislature has approved it, and endorsements have been received by the State Bar and State Bankers Associations.

Maryland: A special study commission composed of leading representatives of business, etc., has been appointed by Governor Tawes. Reports indicate that the Code will probably be introduced in the 1963 Assembly.

Massachusetts: Adopted; effective since October, 1958.⁷

Michigan: The Commissioners on Uniform State Laws for Michigan are confident that the Code will be adopted in 1962 or 1963. A group of legislators is currently examining the Code preparatory to possible introduction in 1962. Since the 1962 session will be an abbreviated one, it is not likely that the bill will come before the Legislature prior to 1963. The State Bar Association has given its endorsement and other groups, including the Bankers Association, have been contacted. Annotations are presently being prepared.

Minnesota: Annotations to the Code are being prepared at the Uni-

⁵ Ill. Ann. Stat. ch. 26 §§ 1-101 to 10-104 (Smith-Hurd 1961).

⁶ Ky. Rev. Stat. Ann. §§ 355.1-101 to 355.10-102 (Baldwin 1961).

⁷ Mass. Gen. Laws Ann. ch. 106 §§ 1-101 to 9-507 (1958).

versity of Minnesota Law School. This project is being financed by contributions from the State Bar Association, the State Bankers Association, and other interested groups. It is hoped that the study will be completed in time for distribution to the Bar and Legislature before the 1963 session. An interim legislative committee had been appointed earlier this year but was lost, along with all other interim committees, because of a dispute on matters unrelated to the Code. There is no pending legislation at present on the Code but no substantial opposition has been evident and, with the enactment in Illinois and other midwestern states, the possibility of passage in Minnesota is brightening.

Mississippi: The Code will probably be introduced in 1962. The State Chamber of Commerce and the State Bar Association have announced their approval after completing a study. Dean Farley of the University of Mississippi School of Law has prepared annotations for the current session.

Missouri: An interim legislative committee is considering the Code. Annotations have been initiated.⁸

Montana: The Code was introduced in the 1961 session of the Legislature but was not reported out of committee for consideration because of the cost of printing. It will be reintroduced in 1963 and our correspondent is optimistic about its chances for enactment.

Nebraska: A committee of the State Bar Association has recommended that the Bar Association endorse the Code and continue the special committee to promote it. The Bankers Association is cooperating with the State Bar and a committee of that Association has also been formed.

Nevada: No report has been received.

New Hampshire: Adopted; effective since July, 1961.⁹

New Jersey: Adopted; effective January 1, 1963.¹⁰

New Mexico: Adopted; effective January 1, 1962.¹¹

New York: Annotations have been prepared, and the Commission on Uniform State Laws will recommend enactment in 1962.¹² Two important considerations favor adoption: first, New York is virtually surrounded by Code states (Pennsylvania, New Jersey, Connecticut, Massachusetts); and second, a New York Commission completed the study of the 1953 draft of the Code and about eighty-eight percent of its proposed revisions were incorporated in the 1958 Official Text.

North Carolina: A committee of the State Bar Association has the Code under consideration but there is no indication of legislative action in the foreseeable future.

North Dakota: The Code was introduced in the 1961 session and

⁸ Missouri Committee on Legislative Research, Proposed Uniform Commercial Code: Its Effect Upon Cognate Missouri Statutes, report pursuant to Senate resolution no. 36, sixty-seventh General Assembly, adopted January 27, 1953 (1954).

⁹ N.H. Rev. Stat. Ann. §§ 382A: 1-101 to 382A: 9-507 (1961).

¹⁰ N.J. Stat. Ann. tit. 12A §§ 1-101 to 10-106 (1961).

¹¹ N.M. Stat. Ann. §§ 50A-1-101 to 50A-9-507 (1961).

¹² Hogan and Penney, Annotations of the Uniform Commercial Code to the Statutory and Decisional Law of New York State, prepared for the Commission on Uniform State Laws (1961).

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passed the House. It was also favorably reported out of committee in the Senate, but was killed at a small session. The bill will be reintroduced in 1963 with the endorsement of the State Bar Association.

Ohio: Adopted; effective July 1, 1962.¹³

Oklahoma: Adopted; effective January 1, 1963.¹⁴

Oregon: Adopted; effective September 1, 1963.¹⁵

Pennsylvania: Adopted; effective since July, 1954.¹⁶ The original act, which was the 1953 text, has been updated by the adoption of the 1958 Official Text.

Rhode Island: Adopted; effective January 2, 1962.¹⁷

South Carolina: The Judicial Council, composed of the Chief Justice of the Supreme Court, members of the bench and bar, and members of the Legislature, has appointed a committee to study the Code.

South Dakota: No action other than a proposal to have the Law School prepare annotations has been taken to date. Because this is primarily a rural state, legislative action is doubtful until definite progress towards adoption has been made in surrounding states.

Tennessee: A resolution referring the Code to the Interim Legislative Council for Study was introduced in the 1961 session but failed to pass. The State Uniform Law Commissioners plan to have the Code introduced as a bill itself in 1963. The State Bar Association has announced its endorsement.

Texas: The State Bar Association plans to sponsor the Code for 1963 adoption. The preparation of annotations has been initiated.¹⁸

Utah: The Legislative Council has requested that the Utah State Bar make a study of the Code but the Legislature has not yet appropriated money for annotations. It is hoped that this will be done at the next session.

Vermont: Attempts to enact the Code in 1961 failed, but the House Appropriations Committee has had it printed and the bill will be reintroduced in 1963.

Virginia: The State Bankers Association is studying the Code but there is no immediate prospect of its introduction before the legislature.

Washington: The Uniform Law Commissioners recommended enactment in 1959 and in 1961, but in both years the Code died because of lack of time after the Senate Judiciary Committee had approved it. Other support is now being solicited throughout the state. The Code could pass in 1963.

West Virginia: Money has been appropriated by the Interim Committee on Government and Finance of the Legislature to study the Code and compile annotations. There is a good possibility of enactment either during the budget session of 1962 or the regular legislative session of 1963.

Wisconsin: A committee of the State Legislative Council has completed

¹³ Ohio Rev. Code Ann. §§ 1301.1 to 1309.50 (Baldwin 1961).

¹⁴ Okla. Stat. Ann. tit. 12A, §§ 1-101 to 10-104 (1961).

¹⁵ Ore. Rev. Stat. §§ 71.1010 to 79.5030 (1961).

¹⁶ Pa. Stat. Ann. tit. 12A §§ 1-101 to 10-104 (1954).

¹⁷ R.I. Gen. Laws tit. 6A §§ 1-101 to 9-507 (1961).

¹⁸ Texas Legislative Council, analysis of the UCC (Austin 1955).

a thorough study of the Code and has recommended enactment. Adoption is very likely in the near future.

Wyoming: Adopted; effective January 1, 1962.¹⁹

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¹⁹ Wyo. Laws 1961, ch. 219 (effective Jan. 1, 1962).