

23. Page 371, immediately after line 7, insert:

sections 546-A and 546-B, as amended, of the code of law for the District of Columbia approved March 3, 1901 (chapter 854, 31 Stat. 1275), as so renumbered by the Act approved June 5, 1952, chapter 370, section 1, 66 Stat. 126 (D.C. Code, 1961 ed., secs. 42-101 and 42-103) or pursuant to

PURPOSE OF THE BILL

The primary purpose of this bill is the adoption for the District of Columbia of the Uniform Commercial Code.

In general, this code would replace the District of Columbia uniform acts on negotiable instruments, warehouse receipts, sales and stock transfers, as well as District of Columbia statutory provisions dealing with bulk sales and several District of Columbia Code provisions relating to bank checks.

This code would not replace the District of Columbia Code sections relating to pawnbrokers, money lenders, liens on motor vehicles, and installment sales of motor vehicles.

A number of the uniform acts have been enacted in the District of Columbia with few, if any, modifications. The experience with these acts has been highly satisfactory. The Uniform Commercial Code is actually just another uniform act which, however, is more comprehensive and more thoroughly developed than any of the other uniform acts.

The Uniform Commercial Code does not represent an abrupt change in commercial law concepts. It codifies commercial law in its present stage of development, filling many gaps and settling a number of questions raised by conflicting judicial decisions.

Although uniformity with the statute law of other jurisdictions should not be the sole criterion, nevertheless, it is extremely important in this age of quick transportation and communication when every commercial lawyer is constantly coming into contact with transactions involving the law of one or more other jurisdictions. The adoption of the Uniform Commercial Code in the District of Columbia would certainly tend to minimize conflict of laws problems in situations involving the District and other "code" jurisdictions. Moreover, with the relative paucity of judicial decisions on commercial law matters in the District of Columbia, the feature of uniformity would make more pertinent the more numerous decisions of other jurisdictions and assist District of Columbia lawyers in their interpretations of the Uniform Commercial Code.

The comprehensiveness of the Uniform Commercial Code should prove extremely helpful to the practicing lawyers and the people they represent. At the present time, a District lawyer faced with a commercial law problem often finds a complete void in both the District of Columbia Code and the reported District of Columbia opinions. He is then forced to resort to standard texts on the subject, to law review articles, legal encyclopedias or digests, and then to follow the references to judicial opinions of other jurisdictions. At the conclusion of extensive and time-consuming research he is often still in doubt. On the other hand, the Uniform Commercial Code with its reasonably good coverage of the whole field will by itself answer many of the questions.

This committee has concurred in the recommendations of the Bar Association of the District of Columbia that there should be at least 1 year between the enactment date and the effective date, in order to give all interested members of the District of Columbia community ample time to become thoroughly familiar with the code and to make the necessary adjustments.

At the public hearing held on this bill, its enactment was urged by the Recorder of Deeds for the District of Columbia, the Bar Association for the District of Columbia, the Metropolitan Washington Board of Trade and the District of Columbia Bankers Association. No expressions in opposition to the substance of the bill has been presented to the committee.

BACKGROUND

Drafting of the Uniform Commercial Code and revisions thereof are under the joint sponsorship of the National Conference of Commissioners on Uniform State Laws and the American Law Institute. Work was begun on this code in 1942 and completed in 1952, in which latter year it was approved by the House of Delegates of the American Bar Association. The reported bill, to become the District of Columbia Uniform Commercial Code, is based upon the latest official revision of the Uniform Commercial Code.

As of the present time 23 States have adopted the Uniform Commercial Code as follows: