

Nebraska adopted the Uniform Commercial Code. Without question, uniformity has not always been met. Without question, states have deviated from the uniformity concepts of the Uniform Commercial Code. On the other hand, states have been very careful in making departures from uniformity. Why? Because lawyers, for example, in Missouri representing Missouri creditors with respect to Nebraska debtors will first take a look at the Uniform Commercial Code as written to determine exactly how the transaction would be covered and then will look for whatever Nebraska deviations that they can find. It is important, however, to make certain that our departures from the norm are carefully considered. Now what the bulk transfer law does is this and this is what Senator Stoney is attempting to amend. It says that if we have a business that essentially deals in inventory and not services, but in inventory, then when that inventory is sold in bulk or the equipment of that inventory business is sold in bulk, the person selling the business must prepare a list of his creditors and must provide that list to the person buying the inventory or the equipment. The person making the purchase must then give notice to all of the creditors of the impending sale, actually of the impending transfer of the inventory and business. Now this allows the creditors of the existing business to come in and take some action if they feel that they need to to protect their rights. The draftsmen of the Uniform Commercial Code and this Legislature back in 1963 concluded simply that the bulk transfer requirements should only apply to inventory business and not to service businesses. Now members of this body, if you look at the comment, at the comment, to the section that Senator Stoney is seeking to amend, you will find very specifically that the persons who drafted the Uniform Commercial Code specifically provided that the businesses covered are defined in subsection three. Notice that they do not include farming nor contracting nor professional services nor such things as cleaning shops, barber shops, pool halls, hotels, restaurants and the like whose principal business is the sale not of merchandise but of service. While some bulk sales risk exists in the excluded businesses, they have in common the fact that unsecured credit is not commonly extended on the faith of a stock of merchandise. If we make...

SPEAKER MARVEL: One minute.

SENATOR JOHNSON: ...this inroad in this section, we will then feel free in subsequent sections to make further