



Quarterly Report

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LETTER FROM THE PRESIDENT

Martha Lee Walters

Our annual meeting in Pasadena, along with summer, is behind us. Although we are now in the midst of football season and the conversation often turns to my Oregon or Michigan teams, the beauty of these fall days and the rivalries discussed take me back to the glories of our summer meeting and our dinner on the Rose Bowl field. The fall also puts me in mind, however, of a new year, and it is there I want to head.

In the coming year I would like to focus on three aspects of the significant work of the Conference that takes place between annual meetings: the study, drafting and enactment efforts in which we engage. I am constantly relearning how closely these efforts depend on each other. If we carefully select acts for drafting, engage those who will be affected by our acts in our process, make policy decisions that will receive broad-based support and use words that make those decisions clear, then our endeavor to enact our final products in the states is more likely to be successful. It is just as true that if we are successful in passing our acts, then it will be easier to get interested groups to the table, working with us toward reasonable solutions.

Harking back to fall football, here is a broad outline of the game plan leadership has in mind. I hope to provide further detail in future columns.

Study: We have appointed two new study committees. Rex Blackburn will chair the study committee on the

Hague Convention on Choice of Court Agreements and E.M. Miller will chair the study committee on a Certificate of Title Act for Boats (and possibly manufactured homes). We will also hold a number of stakeholder meetings to test the interest in, and support for, engaging in drafting projects. We are assigning liaisons from the Scope and Program Committee to each study committee and we are assigning staff and reporters to some study committees. We hope that these stakeholder meetings will help us to learn about project obstacles and assess the degree of support for prospective projects before we commit our resources to full scale drafting.

Drafting: We have appointed six new drafting committees. One of those committees will meet this fall but we will have to postpone the first meetings for the other new committees. As I told you in Pasadena, we have taken on a significant number of drafting projects in the last few years and we expect that seven or eight acts may go final in Montana. We are holding off on appointing or scheduling meetings for some projects that have been approved by the Scope and Program and Executive Committees because the agenda will continue to be full in the coming years. We recently held a meeting of new committee chairs and reporters and are encouraging all committee chairs to be cognizant, throughout the drafting process, that they will, in most instances, be asked to spearhead an enactment effort after their projects are completed. We are asking every drafting committee to consider, at every

meeting, whether the consultation process has been as broad as it should be and to ensure that all those who will be affected by an act have been asked to participate in its formulation. We have appointed Division Chairs who have agreed to work closely with committee chairs to ensure that the Acts are of the high quality we expect for final reading at the annual meeting. We have adjusted the schedule for Style Committee meetings so that the committee can provide the timely suggestions that are so important to achieving perfection, and we expect to have Acts approved at the annual meeting ready for consideration by states by October 1 of each year.

Enactment: Last year you were successful in having 105 bills enacted in your states. The Legislative Council will be meeting in November to devise a legislative strategy for the coming year based on the state plans you have developed. In those plans you have indicated that you plan to introduce more than 230 bills. Some states have short or no legislative sessions this year, but I anticipate that we will be challenging you to meet or exceed last year's mark. We are appointing Enactment Committees for some of our acts and we have an energetic legislative staff that is devising a range of tools you can use, with their support, to educate decision-makers in your states. We plan to appoint a committee to study how to strengthen our relationships with outside organizations, and our Public Information Committee has agreed to consider how best to work with you and your state delegations to disseminate

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information about the Conference and our acts quickly and with impact.

I, and other Conference leaders, including our new Executive Director, believe that each of you and your state delegations are key to our study, drafting and enactment efforts. We hope that you will share with us, and with each other, the actions you have taken in the past that you believe have made the Conference particularly effective. We encourage you to share with us, and with each other, the actions you think we should take in the future to make us even more effective. And we particularly ask each of you to think critically about what you can do, individually, and as states, to better study, draft, and pass Uniform Acts.

We all work as hard as we do on Conference matters because we are convinced that our work improves the law, and thereby our world. We have made huge contributions in the past 116 years. To carry on that tradition will require that we keep abreast of new ideas, organize ourselves, strengthen our relationships with those outside the Conference, and commit to the never-ending, and always required, plain old hard work that lies before us.

I am tremendously excited about all that we can accomplish and I even wish, right at this moment, that I could do this volunteer job full time. I can't, and neither can you, but let's make the time we do have mean as much as we can. Thank you, not for the first time, and certainly not for the last.

NOTICE ANYTHING DIFFERENT?

Look at the masthead above, and you'll see something different. The name of the quarterly newsletter has changed, from "Uniform Activities eNewsletter" to the "The ULC Quarterly Report." This change conforms to the action taken in Pasadena to adopt an alternative name for the Conference. Instead of the "National Conference of Commissioners on Uniform State Laws," or NCCUSL, we will now also be known as the "Uniform Law Commission." Not only do we have a new name - ULC - but a new logo, too. From now on, our new logo and name will be used in all of our correspondence and material, including newsletters, letterhead and business cards, the annual report, the reference book, the guide to uniform acts, and other published material.

The name change was many years in the making. This organization has been known as the National Conference of Commissioners on Uniform State Laws, or NCCUSL, since 1915 (when the name was changed from "Commissioners on Uniform State Laws"). In the early 1970s, the Public Information Committee looked at the full title, "National Conference of Commissioners on Uniform State Laws" and its acronym "NCCUSL" and concluded both were too long, obscure and confusing to the general audience to establish identity or image of the organization. It recommended "ULC" as an all-purpose acronym, but did not try to establish a single title. "Uniform Law Conference," "Uniform Law Commissioners," and "Uniform Law Commission" were all

served by the "ULC" acronym. The flexibility inherent in this decision was thought to be beneficial to accommodation. A title could be selected to meet the particular audience.

Ideas about name recognition and identity, however, have changed since the 1970s. Emphasis is now focused on "branding" in-so-far as possible. Thus one title with a single acronym (both as short as possible) is the ideal.

The current Public Information Committee, at its October 2006 meeting, recommended shortening the Conference's name for PR purposes. A motion was made and approved to use the name "Uniform Law Commission" (also "ULC") in all of our communications. The PI Committee opted to use the singular "Law" rather than "Laws" to be compatible with the Uniform Law Foundation. The committee did not recommend changing the legal name of NCCUSL, since we have IRS tax letters addressed to NCCUSL, and there are specific state appointment statutes that reference the full name of NCCUSL. However, it's important to adopt a consistent "brand name."

The Executive Committee approved this recommendation, and it was presented to all commissioners at the annual meeting in Pasadena. A motion was made on the floor to amend the Constitution so that the Conference could also be known as the Uniform Law Commission. The change took effect immediately, and you will begin to notice the new name and logo on all of our communications.



Uniform Law Commission



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NEW DRAFTING AND STUDY COMMITTEES

At the 2007 Annual Meeting in Pasadena, the Executive Committee authorized the appointment of six new drafting committees and two new study committees. The six new drafting committees are:

Drafting Committee on Record Owners of Business Act. This committee will draft an act to conform uniform entity laws, including the Uniform Partnership Act, the Uniform Limited Partnership Act, the Uniform Limited Liability Company Act, and the Uniform Unincorporated Nonprofit Association Act, to address the availability of information regarding the owners of entities established under state law. The act would help address some national security concerns relating to companies operating for the purpose of organized crime, terrorist financing, securities fraud, tax evasion and other misconduct, while at the same time balancing important privacy concerns.

Drafting Committee on Insurable Interests Relating to Trusts Act. This committee will draft an act to address concerns regarding the purchase of life insurance trusts by trustees as it relates to insurable interest law. Life insurance trusts are a standard estate planning tool because proceeds of an irrevocable life insurance trust are not subject to estate taxes. Recent case law has raised the possible need for uniform law on insurable interests. The scope of the project is narrow and might be drafted within the Uniform Trust Code or as a free-standing act.

Drafting Committee to Revise Uniform Division of Income for Tax Purposes Act. This committee will revise the Uniform Division of Income for Tax Purposes Act, last amended in 1966, in conjunction with the proposed revision of the Multistate Tax Compact. Twenty states have adopted the Compact and 20 have adopted UDITPA, with some overlapping. The committee will focus on Section 17 of UDITPA (Article IV of the Compact) which deals with sales factor sourcing for transactions other than sales of tangible goods.

Drafting Committee on Electronic Recordation of Custodial Interrogations. This committee will draft an act addressing the issue of the use of audio and/or video electronic devices to record law enforcement officers' interviews of criminal suspects who are in custody.

Drafting Committee to Revise Uniform Law on Notarial Acts. The purpose of this drafting committee is to revise the 1982 Uniform Law on Notarial Acts and address issues relating to new technologies. The charge is limited to notary responsibilities, electronic recording, interstate recognition, and remedies.

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ANNUAL MEETING HIGHLIGHTS

At our 116th Annual Meeting in Pasadena, the ULC approved four new uniform and model acts: the Uniform Adult Guardianship and Protective Proceedings Jurisdiction Act; the Uniform Rules Relating to the Discovery of Electronically Stored Information; the Uniform Limited Cooperative Association Act; and the Uniform Interstate Depositions and Discovery Act. Amendments to the Uniform Emergency Volunteer Health Practitioners Act and the Uniform Representation of Children in Abuse, Neglect, and Custody Proceedings Act were also approved. The Uniform Collateral Consequences of Conviction Act had been scheduled for approval, but instead will have one more year of drafting, and should be completed at next year's annual meeting in Montana.

EXECUTIVE COMMITTEE UPDATE

At the annual meeting in Pasadena, a number of decisions were approved by the ULC Executive Committee. Highlights of the meeting include:

Six new drafting committees were authorized: Drafting Committee on Record Owners of Business Act; Drafting Committee on Insurable Interests Relating to Trusts Act; Drafting Committee to Revise Uniform Division of Income for Tax Purposes Act; Drafting Committee to Revise Uniform Law on Notarial Acts; Drafting Committee on Electronic Recording of Custodial Interrogations Act; Drafting Committee on Regulation of Charities Act.

Two new study committees were authorized: Study Committee on the Hague Convention on Choice of Court Agreements; Study Committee on Certificate of Title System for Boats. (See accompanying article for further details on each committee.)

The Executive Committee approved the recommendation from the Committee on Review of Conference Acts that the Correction or Clarification of Defamation Act be re-designated as a Model Act.

The Study Committees on DNA Evidence, Insurance Coverage for Substance Abuse Related Injuries or Sickness, and Notice and Repair of Construction Defects were discharged.



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Drafting Committee on Regulation of Charities. This committee will draft an act to address the state regulation of charities. The committee will focus on state attorneys general authority with regard to the protection of charitable assets, notice requirements, remedies and principles to guide attorneys general in interstate and multi-state cases.

The two new study committees which will consider a subject for possible future drafting are:

Study Committee on the Hague Convention on Choice of Court Agreements. This study committee will work with the U.S. State Department in connection with the implementation and ratification of the Hague Convention on Choice of Courts Agreement. The committee work will include consideration of the merits of ratification by the U.S., the effect of the Convention on U.S. law, the appropriate means for implementation, and whether any current uniform laws would need to be amended in light of the Convention.

Study Committee on Certificate of Title System for Boats. This study committee will consider whether a certificate of title system for boats, and possibly manufactured homes, should be drafted. Many states do not have certificate of title law governing these types of goods and those that do have considerable differences in terms. The committee will also consider whether such an act should be a free-standing act or incorporated within the Uniform Certificate of Title Act (UCOTA).

UNIFORM LAW FOUNDATION NEWS

Robert A. Stein, Chair

The Uniform Law Foundation ended the 2006/2007 Campaign Year with an endowment in excess of \$3.75 million. This is a noteworthy milestone, but the Foundation is not standing still. On the contrary, it has embarked on another very active year. The following are some of the highlights of developments since our annual meeting.

The Trustees of the Foundation have recommended to the ULC Executive Committee that a new "ULF International Fund" be established to receive contributions dedicated for support of our international programs. Because the ULC is limited in its ability to separately fund special international projects, this new international fund will serve an especially important purpose. With the establishment of a privately contributed fund to be used for international projects, the ULC will be able to continue to increase our global activities. The ULF Trustees are now developing a statement of criteria for expenditure of these dedicated funds.

The Foundation continues to make grants in support of Uniform Law Scholars - individuals appointed by the Conference to assist in the study and drafting process. The Foundation's grant program has now distributed nearly \$100,000 to the ULC for study, research and development, and educational projects.

In the coming year, the Foundation will also assist the ULC as it moves to its first permanent home. At the end of this year, the ULC will be moving to a new office condominium in the historic Garland Building, located in the Chicago Loop district. The condominium has been purchased by the Uniform Law Foundation, using financing provided by a tax exempt bond issue, and leased on a long term basis to the ULC. The increased space in the new offices will allow the ULC to nearly double its current office space, and provide room to grow in years to come. The ULF Trustees are proud to be a part of this important new development for the ULC.

The 2006/2007 Campaign Year was very successful (more than 90 commissioners contributed to the ULF last year - more than 190 if you count the annual ULF Gala Benefit - and there were 14 states which reported 100% participation from all their commissioners). Our focus now turns to launching the 2007/2008 Campaign. In a few weeks you will receive our annual end-of-the-year appeal, and we hope you will consider the ongoing needs of the ULC during the traditional season of year-end giving. We also welcome your suggestions for contacting law firms and other potential donors that benefit from the ULC's efforts and an effective system of uniform laws. Please contact Liz Cunneen in the Chicago office with your ideas.

I wish to express our thanks to my fellow trustees - Tim Berg, Rhoda Billings, Carl Lisman and Ed Smith - for all their hard work. Thanks also to the ULF liaisons who work in their individual states on behalf of the ULF.

And thank you all for your continuing support. We appreciate your contributions in support of the Uniform Law Foundation and look forward to another successful campaign in the coming year.

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