

REPORT OF THE

**VIRGINIA COMMISSIONERS
TO THE NATIONAL CONFERENCE
OF COMMISSIONERS ON
UNIFORM STATE LAWS**

**TO THE GOVERNOR
AND THE GENERAL ASSEMBLY OF VIRGINIA**



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Conference of Commissioners on Uniform State Laws
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**Report of the
Virginia Commissioners to the
National Conference of Commissioners
on Uniform State Laws
to
The Governor and the General Assembly of Virginia
Richmond, Virginia**

January 1, 2009 - December 31, 2009

HISTORY OF THE CONFERENCE

In 1889, the New York Bar Association appointed a special committee on uniformity of laws. The following year the New York legislature authorized the appointment of commissioners

. . . to examine certain subjects of national importance that seem to show conflict among the laws of the several commonwealths, to ascertain the best means to effect an assimilation or uniformity of the laws of the states, and especially whether it would be advisable for the State of New York to invite the other states of the Union to send representatives to a convention to draft uniform laws to be submitted for approval and adoption by the several states.

In the same year, the American Bar Association passed a resolution recommending that each state provide for commissioners to confer with the commissioners of other states regarding legislation on certain issues. In August of 1892, the first National Conference of Commissioners on Uniform State Laws (Conference or NCCUSL) convened in Saratoga Springs, New York.

By 1912, every state was participating in the Conference. Since then, the Conference has steadily increased its contribution to state law and has attracted some of the most outstanding members of the legal profession. Prior to his more notable political prominence and service as president of the United States, Woodrow Wilson became a member in 1901. Supreme Court Justices Brandeis, Souter, and Rutledge, and the late Chief Justice Rehnquist, and such legal scholars as Professors Wigmore, Williston, Pound, and Bogart have

all served as members of the Conference. This distinguished body has guaranteed that the products of the Conference are of the highest quality and are enormously influential upon the process of the law.

The Conference, also known as the Uniform Law Commissioners (ULC), began more than 100 years ago because of the interests of state governments in improvement of the law and interstate relationships. Its purposes remain to serve state governments and improve state law.

OPERATION OF THE CONFERENCE

The ULC convenes as a body once a year. Throughout the year drafting committees, composed of commissioners, work over several weekends on drafts of legislation to be considered at the annual meeting. The work of the drafting committees is read, line-by-line, and thoroughly debated at the annual meeting. Each act must be considered over a number of years; most are read and debated by the Conference two or more times. Those acts deemed by the ULC to be ready for consideration in the state legislatures are put to a vote of the states. Each state caucuses and votes as a unit.

The governing body of the ULC, the Executive Committee, is composed of officers elected by vote of the commissioners, ex-officio members, and members who are appointed annually by the president of the ULC. Certain activities are conducted by standing committees. For example, the Committee on Scope and Program considers all new subject areas for possible uniform acts. The Legislative Committee superintends the relationships of the Conference to the state legislatures.

The ULC maintains relations with several sister organizations. Official liaison is maintained with the American Bar Association. Additionally, liaison is continually maintained with the American Law Institute, the Council of State Governments, and the National Conference of State Legislatures. Other associations are frequently contacted and advised of Conference activities as interests and activities necessitate.

At the national office in Chicago, a small staff provides administrative and clerical assistance to the ULC and the individual members, as well as advice and coordinating assistance in securing the passage of uniform acts. The ULC contracts with "reporters" for professional services to aid in drafting. Reporters are engaged at modest honoraria to work with drafting committees on specific acts. The Conference also employs professional independent contractors for work on part of its public information and educational

materials. The annual budget and audit report of the Conference are available on request.

The work of the ULC strengthens the state and federal system of government. In many areas of the law, the states must solve problems through cooperative action or the issues are likely to be preempted by Congress. The ULC is one of the few institutions that pursue solutions to problems on a cooperative basis by the states. Without the ULC, more legislative activities would undoubtedly shift from the state capitals to Washington, D.C.

VALUE FOR VIRGINIA AND THE STATES

The process of drafting a uniform act is lengthy and deliberate, yet cost-efficient. A committee is appointed from the membership of the ULC. The American Bar Association is invited to appoint an advisor to each drafting committee. The bylaws of the ULC require at least two years for drafting and two readings of the draft at annual meetings of the ULC. Through this unique system--the only one like it in American political life--comprehensive legislation receives painstaking and balanced, nonpartisan consideration.

The price tag for this process represents true value to the states. With 98 percent of the annual budget of the ULC coming from state government contributions, here is a look at some of the costs and benefits.

Uniform Law Commissioners donate their professional services, spending hundreds of hours on uniform state laws as a public service because of their commitment to good law. The cumulative value of this donated time in the development of uniform and model acts averages over \$10 million per year.

The average revision of an article of the Uniform Commercial Code takes four years, with three to five committee meetings per year. The original Uniform Probate Code took a full decade to develop and promulgate. Each of these comprehensive projects cost much more from the actual budget of the ULC, and represents much larger contributions--in terms of time--from the ULC membership.

Major committees of the ULC draw extensive advisory and observer groups into the drafting process. Meetings of the Uniform Commercial Code committees regularly draw advisors and observers in a ratio of two or three to one commissioner. These advisor and observer groups represent various interests, provide outside expertise, and facilitate dissemination of the act. It

is impossible to place a dollar value on their input, which state funds do not pay.

It is also not possible to measure the worth of the intellectual participation by all who are involved. There is no process at either the state or federal level of the United States government today that compares to the uniform law process--intense, nonpartisan scrutiny of both policy and execution of the law.

STATE APPROPRIATIONS

The ULC is a state service organization that depends upon state appropriations for its continued operation. All states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands are asked to contribute a specific amount, based on population, for the maintenance of the ULC. In addition, each state delegation requests an amount to cover its commissioners' travel expenses for the Conference's annual meeting. The total requested contribution of all the states to the operation of the ULC is \$2,457,500 in fiscal year 2010. The smallest state contribution is \$25,000 and the largest is \$148,600. Virginia's contribution for FY 2010 is \$53,000. The annual budget of the ULC for FY 2010 is \$3,145,917. Of this amount, \$621,792 goes directly to drafting uniform and model acts, and includes travel expenses for drafting committee meetings, printing and publication costs, and editing and personnel costs. The research process, which includes the work of study committees and the ULC Committee on Scope and Program, is \$138,752. In addition, \$699,865 is spent in assisting state legislatures with bills based on uniform and model acts. This amount includes salaries and travel expenses. About \$366,114 is spent on the annual meeting. Public education for uniform and model acts costs about \$238,840 and includes contractual services, materials costs and travel expenses. The remainder of the budget pays general administrative costs.

OTHER FINANCIAL CONTRIBUTORS

The Commission also receives limited funds from the American Bar Association and the American Law Institute. Grants from foundations and the federal government are occasionally sought for specific educational and drafting efforts.

The Uniform Commercial Code (UCC) is a joint venture between the ULC and the American Law Institute (ALI). The ALI holds Falk Foundation funds that are allocated to work on the UCC. The original Falk Foundation

grant came in the late 1940s for the original development of the UCC. Proceeds from copyright licensing of UCC materials provide revenue to replenish the Falk Foundation corpus. At any time work on the UCC commences, a percentage of ULC and ALI costs are paid from the Falk Foundation income.

In addition, the Commission has recently established new royalty agreements with major legal publishers, which reprint the ULC's uniform and model acts in their publications.

The Conference will not take money from any source except on the understanding that its drafting work is autonomous. No source may dictate the contents of any act because of a financial contribution.

PROCESS FOR CREATION OF UNIFORM AND MODEL ACTS

The procedures for drafting an act are the result of long experience with the creation of legislation. The Scope and Program Committee, which consists solely of commissioners, considers new subject areas of state law for potential uniform or model acts. The Committee reviews suggestions for uniform or model acts from many sources, including organized bar groups, state governments, and private persons. If a subject area cannot be adequately studied by Scope and Program Committee, it is likely to be given to a special study committee. Study committees report back to the Scope and Program Committee. The recommendations of the Scope and Program Committee go to the ULC Executive Committee, and to the entire ULC for approval.

Once a subject receives approval for drafting, a drafting committee is selected, and a budget is established for the committee work. A reporter is usually engaged, although a few committees work without professional assistance.

Advisors and participating observers are solicited to assist the drafting committee. The American Bar Association appoints official advisors for every committee. Other advisors may come from state government or organizations with interest and expertise in a subject, and from the ranks of recognized experts in a subject. Advisors and participating observers are invited to work with drafting committees and to contribute comments. They do not make final decisions with respect to the final contents of an act. Only the commissioners who compose the drafting committee may do this.

A committee meets according to the needs of the project. A short act may require one or two committee meetings. Major acts may require one

meeting every month for a considerable period of time, several years, in some instances. A committee may produce a number of successive drafts as an act evolves.

At each annual meeting during its working life, the drafting committee must present its work to the whole body of the ULC. The most current draft is read and debated. This scrutiny continues from annual meeting to annual meeting until a draft satisfies the whole body of the commissioners. No act is promulgated without at least two years' consideration, meaning every act receives at least one interim reading at an annual meeting, and a final reading at a subsequent annual meeting. There is often more than one interim reading and a drafting process that exceeds two years in duration. An act becomes official by a majority vote of the states. As mentioned earlier, each state commission caucuses to represent its state's position and each state receives one vote. The vote by states completes the drafting work, and the act is ready for consideration by the state legislatures.

The cost of this process to the states is in travel expenses, paper and publication costs, and meeting costs. Nearly all the services are donated, thereby eliminating the single greatest cost factor.

THE IMPORTANCE OF VIRGINIA'S CONTRIBUTION

Virginia's participation, both in terms of appointing uniform law commissioners and contributing funds, is essential. Virginia benefits from the excellent body of law created for its consideration. The Conference, and all the states, benefit from having Virginia's direct contribution to the work of ULC.

ACTIVITIES OF THE VIRGINIA COMMISSIONERS

The Governor is authorized to appoint three members, each to serve a four-year term (§ 30-196, Code of Virginia). The three gubernatorial appointees are: Ellen F. Dyke of Vienna, Thomas Edmonds of Richmond, and H. Lane Kneedler of Charlottesville.

In addition to the Governor's appointments, the Constitution of the Conference authorizes the appointment of life members upon recommendation of the Executive Committee. Virginia's life members are Brockenbrough Lamb, Jr., a member since 1953, and Carlyle C. Ring, Jr., a member since 1970 and president of the Conference from 1983 to 1985. Esson McKenzie Miller, Jr., director of the Division of Legislative Services since 1988, became a

life member at the 2008 Annual Meeting. Ellen F. Dyke and H. Lane Kneedler became life members at the 2009 Annual Meeting.

The Constitution of the Conference also grants membership as an associate member to the principal administrative officer of the state agency "charged by law with the duty of drafting legislation, or his designee. Jessica D. French, senior attorney with the Division, was designated an associate member in July 1999.

The Virginia commissioners have served on the following committees during the past year:

Carlyle C. Ring, Jr. — Chair, Committee on Uniform Commercial Code; Chair, Enactment Committee to Revise Uniform Anatomical Gift Act; Member, Study Committee on Environmental Controls and Hazards Notice System; Member, Executive Subcommittee of the Permanent Editorial Board for Uniform Commercial Code; Member, Permanent Editorial Board for Uniform Commercial Code; Member, Committee on Federal Relations; and Liaison Member, Uniform Law Foundation Trustees; Member, Study Committee on Regulation of Financial Institutions and Payment Systems.

Ellen F. Dyke — Member, Drafting Committee on Uniform Partition of Tenancy-In-Common Real Property Act.

Thomas Edmonds — Member, Study Committee on the Regulation of Financial Institutions and Payment Systems; Member, Study Committee on Mental Health Advance Directives; Member, Committee on Liaison with the American Bar Association; and Member, Study Committee on a Mortgage Subrogation Act.

H. Lane Kneedler — Chair, Committee to Review the ULC Drafting Process; Member, Standby Committee on Uniform Certificate of Title Act; and Member, Drafting Committee to Revise Model State Administrative Procedure Act.

Esson McKenzie Miller, Jr. — Chair, Drafting Committee on a Uniform Certificate of Title Act for Boats. Member, Standby Committee on Uniform Certificate of Title Act and Member, Legislative Committee.

Jessica D. French — Member, Legislative Committee.

ACTIVITIES OF THE 2009 VIRGINIA GENERAL ASSEMBLY

Based on recommendations made by the Virginia Commissioners in Report Document No. 67, 2009, covering the period January 1, 2008, through December 31, 2008, and other initiatives, the following actions regarding uniform laws were taken by the 2009 Virginia General Assembly.

Uniform Law-Related Bills Passed by the 2009 General Assembly Session*

Uniform Principal and Income Act (UPIA)

House Bill 2435; Delegate Janis; Revises the Act to address a 2006 IRS ruling regarding marital deductions to ensure that an IRA or other retirement arrangement that is payable to a marital deduction trust qualifies for the federal estate tax marital deduction. The trustee will be required to demand certain distributions if the surviving spouse so requests because the IRS requires that the surviving spouse be separately entitled to demand the fund's income. The bill also clarifies how a trust that is required to pay income to a beneficiary keeps enough money to pay its taxes and distribute the balance of the income to the mandatory income beneficiary. The bill also allows for the creation of grantor-created unitrusts to be administered in the manner of a total return unitrust. Current law allows for the conversion of income trusts into total return unitrusts but does not allow unitrusts to be otherwise created. The bill also provides that a qualified beneficiary of a trust, other than the attorney general of the Commonwealth, may petition the circuit court to convert an income trust to a total return unitrust, convert a total return unitrust to an income trust, or change the percentage used to calculate the unitrust amount or the method used to determine the fair market value of the trust assets. Currently, only the trustee may file such a petition.

Uniform Power of Attorney Act (UPOAA)

Senate Bill 855; Senator Edwards; Establishes in the Code of Virginia the Uniform Act that was adopted by the National Conference of Commissioners on Uniform State Laws in 2006. The Act consists of default rules that can be modified if the principal desires. Powers of attorney will be durable unless drafted to expire upon a specified date or event. The UPOAA addresses creation and use, good faith reliance, limitations of agent's powers, refusal to recognize, judicial review, notification of resignation, and other

matters. The Act contains an optional statutory form.* The bill contains a reenactment clause and must be reenacted to become effective.

Uniform Interstate Depositions and Discovery Act

Senate Bill 958; Senator Obenshain; Replaces current provisions in the Virginia Code (the Uniform Foreign Depositions Act) with this Uniform Act that was adopted by the National Conference of Commissioners on Uniform State Laws in 2007. The Act provides that a party may submit a subpoena issued by a court of record from another state to the clerk of the circuit court serving the jurisdiction in which discovery is sought in the Commonwealth. The foreign subpoena must be accompanied by a written statement that the law of the foreign jurisdiction grants reciprocal privileges for taking discovery by citizens of the Commonwealth. Upon receipt of the foreign subpoena, the clerk shall issue a subpoena for service upon the person to whom the foreign subpoena was directed. The Act further provides that the laws of the Commonwealth govern the service of the subpoena and any action brought for a protective order or to enforce, quash, or modify the subpoena. The Act also requires that the provisions of the Act may only be used by parties in jurisdictions that provide reciprocal privileges to residents of Virginia. This bill is a recommendation of the Boyd-Graves Conference.

Uniform Commercial Code; Financing Statements

House Bill 2454; Delegate Sickles / Senate Bill 1100; Senator Herring; Provides that a financing statement in connection with a secured transaction sufficiently provides the name of the individual debtor if it provides the individual's name shown on the individual's driver's license or identification card issued by the individual's state of residence.

REPORT OF PROCEEDINGS OF THE 2009 ANNUAL CONFERENCE

The 2009 annual meeting of the Conference was held July 9 - July 16, in Santa Fe, New Mexico. Commissioners Dyke, Edmonds, French, Kneedler, Miller, and Ring attended.

The following uniform acts or amendments to uniform acts were approved at the annual meeting:

- *Uniform Collaborative Law Act*
- *Uniform Collateral Consequences of Conviction Act*
- *Uniform Real Property Transfer on Death Act*
- *Uniform Statutory Trust Entity Act*
- *Uniform Law Enforcement Access to Entity Information Act*

In addition to the approved acts listed above, the following uniform acts or amendments to them, and reports were considered by the Conference at its annual meeting:

- *Business Organizations Act*
- *Electronic Recordation of Custodial Interrogations Act*
- *Faithful Presidential Electors Act*
- *Implementation of Hague Convention on Choice of Court Agreements*
- *Implementation of the UN Convention on Independent Guarantees and Stand-by Letters of Credit*
- *Implementation of UN E-Commerce Convention*
- *Military Services and Overseas Civilian Absentee Voters Act*
- *Revisions to the Model State Administrative Procedure Act*
- *Revisions to the Uniform Law on Notarial Acts*
- *Revisions to UCC Article 9*
- *Uniform Insurable Interests Relating to Trusts Act*
- *Uniform Partition of Inherited Property Act*

2009 ADOPTIONS BY ANNUAL CONFERENCE

SUMMARIES

Summaries of the acts adopted or amended by the Conference are as follows:

Uniform Collaborative Law Act

The Uniform Collaborative Law Act, promulgated by the Uniform Law Commission in 2009, standardizes the most important features of collaborative law practice, mindful of ethical concerns as well as questions of evidentiary privilege. In recent years, the use of collaborative law as a form of alternative

dispute resolution has expanded from its origin in family law to other areas of law, including insurance and business disputes. As the practice has grown, it has come to be governed by a variety of statutes, court rules, and formal and informal standards. A comprehensive statutory frame work is necessary in order to guarantee the benefits of the process and to further regulate its use. The Act encourages the development and growth of collaborative law as an option for parties that wish to use it as a form of alternative dispute resolution.

The Act mandates the essential elements of disclosure and discussion between prospective parties in order to guarantee that all parties enter into the collaborative agreement with informed consent. The need for attorneys to provide clear and impartial descriptions of the options available to the party prior to deciding upon a course of action is stressed throughout the Act. Additionally, the Act mandates that the collaborative agreement contains the disqualification provisions that are essential to the collaborative process. The disqualification provisions create incentives for cooperation and settlement. By standardizing the collaborative process, the Act secures the benefits of collaborative law for the parties involved while providing ethical safeguards for the lawyers involved.

Uniform Collateral Consequences of Conviction Act

The Uniform Collateral Consequences of Conviction Act, promulgated by the Uniform Law Commission in 2009, improves the understanding of penalties that attach when an individual is convicted of an offense, and in appropriate circumstances, offers a mechanism to provide partial relief from the disabilities. The Act facilitates notification of collateral consequences before, during, and after sentencing. Under the provisions of the Act, states are to create a collection of all collateral consequences, with citations and descriptions of the relevant statutes. At or before arraignment, individuals will be advised of the particular collateral consequences associated with the offense for which they are charged. Notice is also to be given at the time of sentencing, and if an individual is sentenced to prison, at the time of release. Formal advisement promotes fairness and compliance with the law.

The Act provides mechanisms for relieving collateral sanctions imposed by law. The Act creates an Order of Limited Relief, designed to relieve an individual from one or more collateral consequences based on a showing of fitness for reentry. The Order does not automatically remove the consequence, but does remove the automatic disqualification imposed by law. A state agency remains able to disqualify an individual on a case-by-case basis. The Act also creates a Certificate of Restoration of Rights. The Certificate is granted to individuals who demonstrate a substantial period of law-abiding behavior

consistent with successful reentry and desistance from crime. Issuance of a Certificate facilitates reintegration of those individuals who have demonstrated an ability to live a lawful life.

Uniform Real Property Transfer on Death Act

Asset-specific mechanisms for the non-probate transfer of property and funds are now common. The proceeds of life insurance policies and pension plans, securities registered in transfer on death (TOD) form, and funds held in pay on death (POD) bank accounts are good examples of property that have benefitted from this trend in modern property law. However, a straightforward, inexpensive, and reliable means of passing real property, which may be a decedent's major asset, directly to a beneficiary is not generally available. The Uniform Real Property Transfer on Death Act (URPTODA) enables an owner of real property to pass it to a beneficiary upon the owner's death by a similar mechanism – simply, directly, and without probate. Under URPTODA, the property passes by means of a recorded transfer on death (TOD) deed. URPTODA sets forth the requirements for the creation and revocation of a TOD deed, and clarifies the effect of the TOD deed for all parties while the transferor is living and after he passes away. A TOD deed is effective without consideration, and without notice or delivery to the beneficiary. Beneficiaries take the property subject to allowed claims against the transferor's estate. If the intended beneficiary wishes, he may disclaim all or part of his beneficiary interest in the property. Finally, URPTODA provides optional language for forms to create and revoke TOD deeds.

Uniform Statutory Trust Entity Act

The Uniform Statutory Trust Entity Act (USTEA) addresses the need for a uniform law to regulate statutory business trusts. This need arises from the increasing popularity of statutory trust entities, chiefly in the structured finance and mutual fund industries. Practitioners, entrepreneurs, and scholars struggle to understand the law governing statutory trusts. The case law on statutory trusts is sparse. USTEA validates the statutory trust as a permissible form of business organization and brings the disparate and often inadequate existing state laws into uniformity.

USTEA more closely resembles a generic corporate code or unincorporated entity law than it does the Uniform Trust Code (UTC). However, nothing in this Act displaces the common law of trusts, or the UTC, with respect to such trusts. The USTEA uses Delaware Statutory Trust Act as a starting point for the Act but adds several innovations. The USTEA will be used primarily as a business organization tool and will clarify this area of law.

Uniform Law Enforcement Access to Entity Information Act

The Uniform Law Enforcement Access to Business Entity Act (ULEAEIA) addresses the need for law enforcement to have ready access to information regarding the owners and managers of entities established under state law. ULEAEIA is designed to be a substitute for the Incorporation Transparency and Law Enforcement Assistance Act (S. 569), co-sponsored by Senators Levin, Grassley and McCaskill. ULEAEIA will 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. The Act is intended to provide a viable state law alternative to pending federal legislation. Rather than filing and updating “beneficial ownership” information, ULEAEIA provides that LLCs, partnerships, trusts, and other entities must designate a “records contact,” which is responsible for producing information upon an appropriate request. ULEAEIA is intended to be more comprehensive and less invasive than S. 569. *At this time ULC is not recommending this act be introduced in 2010. This Act was developed as a potential alternative to pending federal legislation (S. 569) and any legislative efforts are therefore on hold until the status of that bill is resolved.*

RECOMMENDATIONS FOR ENACTMENT

The following uniform acts, which have been approved by the Conference, make significant contributions to important subjects. The Virginia commissioners recommend these acts for consideration and adoption by the 2010 General Assembly:

- ***Uniform Power of Attorney Act***
- ***Uniform Adult Guardianship and Protective Proceedings Jurisdiction Act***

CURRENT DRAFTING PROJECTS

There are currently 18 ULC drafting committees working on new and revised uniform acts. In addition, 9 study committees are considering subjects for possible future drafting.

Current Drafting Committees

Drafting Committee on a Faithful Presidential Electors Act.

This committee will draft an act providing a state statutory remedy in the event a state presidential elector fails to vote in accordance with the voters of his or her state. The committee presented a draft for initial consideration at the July 2009 Annual Meeting and is expected to present its act for final approval in July 2010.

Drafting Committee on a Protection of Genetic Information in Employment and Insurance Act.

This committee will draft uniform or model legislation on the misuse of genetic information in the context of employment and life, disability and long-term care insurance. The employment portion of the draft will focus in part on state law implementation of provisions similar to those in the federal Genetic Information Nondiscrimination Act. The insurance portions of the draft will focus on the establishment of regulatory controls and will not include any private rights of action. Drafts on this topic have been considered at previous Annual Meetings and it is expected that the committee will present a draft for final approval in July 2010.

Drafting Committee to Revise the Model State Administrative Procedure Act.

This committee is revising the 1980 Model State Administrative Procedures Act, which provided procedures for promulgating administrative regulations and for adjudicating disputes before administrative bodies. A revision is necessary to update the act to recognize electronic communications and other state procedural innovations since the act was originally promulgated. Drafts on this topic have been considered at previous Annual Meetings and it is expected that the committee will present a draft for final approval in July 2010.

Drafting Committee on a Partition of Inherited Property Act.

The purpose of this committee is to draft a uniform act that will address the issue of tenancy-in-common land ownership. Tenancy in common is a type of joint ownership without right of survivorship. When there is no right of survivorship, the death of a tenant in common can trigger an action to partition the land to satisfy the deceased tenant's heirs. In a partition, the land is sold to satisfy tenant in common interests, often in a sale that does not meet market value. This committee will draft a new law to protect vulnerable landowners by providing a buy-out option; balancing factors for judges on partition of real property; sale price minimums if dispossession occurs; and a waiting period of up to three years for strangers to title. The committee presented a draft for initial consideration at the July 2009 Annual Meeting and is expected to present its act for final approval in July 2010.

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. The committee presented a draft for initial consideration at the July 2009 Annual Meeting and is expected to present its act for final approval in July 2010.

Drafting Committee on a Uniform 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. The committee presented a draft for initial consideration at the July 2009 Annual Meeting and is expected to present its act for final approval in July 2010.

Drafting Committee to Revise the Uniform Law on Notarial Acts. The purpose of this drafting committee is to revise the 1982 Uniform Law on Notarial Acts. The charge is limited to drafting revisions with respect to notary responsibilities, electronic recording, interstate recognition, and remedies. The committee presented a draft for initial consideration at the July 2009 Annual Meeting and is expected to present its act for final approval in July 2010.

Drafting Committee on Harmonization of Business Entity Acts. This committee will work to harmonize provisions of the various unincorporated business entity acts already promulgated by the ULC, such as the Uniform Partnership Act, the Uniform Limited Partnership Act, the Limited Liability Company Act, the Limited Cooperative Association Act, the Uniform Unincorporated Nonprofit Association Act, and the soon-to-be promulgated Uniform Statutory Trust Entity Act. The committee will present a draft for initial consideration at the July 2010 Annual Meeting and is expected to present its act for final approval in July 2011.

Drafting Committee on Oversight of Charitable Assets Act. This committee will draft an act to address state oversight of charitable assets. 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 committee will present a draft for initial consideration at the July 2010 Annual Meeting and is expected to present its act for final approval in July 2011.

Joint Drafting Committee for Implementation of the UN Convention on Independent Guarantees and Stand-by Letters of Credit. This committee will work with the American Law Institute, the Uniform Law Conference of Canada, and the Mexican Center for Uniform Laws to draft language to implement the UN Convention on Independent Guarantees and Stand-by Letters of Credit, and to assist Canada in developing letter-of-credit law consistent with UCC Article 5. The Convention is designed to facilitate the use of independent guarantees and stand-by letters of credit, in particular where only one or the other of these instruments may be traditionally in use. This committee presented a report at the July 2009 Annual Meeting and is expected to complete its work during 2009.

Drafting Committee on a Certificate of Title Act for Boats. This committee will draft an act establishing a certificate of title system for boats. Many states do not have certificate of title laws governing watercraft, and those that do have considerable differences in terms. The committee will coordinate its work with the United States Coast Guard and developments concerning the Coast Guard's vessel identification and documentation systems. The committee will present a draft for initial consideration at the July 2010 Annual Meeting and is expected to present its act for final approval in July 2011.

Joint Review Committee for UCC Article 9. This joint ALI/ULC committee will draft specific revisions of UCC Article 9 to address specific issues that a study committee has already identified as needing statutory revision. The issues that the committee will address are those as to which ambiguities have been discovered in existing statutory language, where there have been substantial problems in practice in applying current statutory provisions, or as to which there have been significant judicial decisions or non-uniform amendments that suggest the need to consider statutory revisions. The committee presented a draft for initial consideration at the July 2009 Annual Meeting and is expected to present its act for final approval in July 2010.

Committee to Implement the UN E-Commerce Convention. The E-Commerce Convention impacts the Uniform Electronic Transactions Act and the federal E-Sign legislation. This committee will recommend the most appropriate methods for implementing the Convention, including whether any federal or uniform state legislation is necessary, and then will work with the United States Departments of State and Commerce, and other interested entities, in preparing any necessary uniform state or federal legislation and in seeking to obtain United States Senate advice and consent to the Convention. This committee presented an interim report at the July 2009 Annual Meeting and is expected to present a final report in July 2010.

Drafting Committee on the Hague Convention on Choice of Court Agreements. This drafting committee, at the request of the U.S. State Department, will draft uniform state legislation and appropriate declarations and understandings to assist in the implementation and ratification of the Hague Convention on Choice of Court Agreements. The committee presented a draft for initial consideration at the July 2009 Annual Meeting and is expected to present its act for final approval in July 2010.

Drafting Committee on Authentication and Preservation of State Electronic Legal Materials. This committee will prepare an act that provides guidance to states on authenticating and preserving state electronic legal materials.

Drafting Committee on a Military Services and Overseas Civilian Absentee Voters Act. This committee will draft uniform state legislation that will simplify the process of absentee voting for United States military and overseas civilians by making the process more uniform, convenient, secure, and efficient. The committee presented a draft for initial consideration at the July 2009 Annual Meeting and is expected to present its act for final approval in July 2010.

Drafting Committee on Visitation and Custody Issues Affecting Military Personnel and Their Families. This committee will prepare an act that provides standards and procedures for resolving visitation and custody issues affecting military personnel and their families, which may include resolution of matters in intrastate, interstate, and international contexts.

Committee on the Hague Securities Convention. This committee will work with the U.S. Department of State to assist in the implementation and ratification of the Hague Convention on Securities Held by Intermediaries and to ensure proper interface between the provisions of the Convention and of Articles 8 and 9 of the Uniform Commercial Code.

Study Committees

Study Committee on the 1996 Hague Convention on the Protection of Children
Study Committee on Payment Issues
Study Committee on Mental Health Advance Directives
Study Committee on Model Tribal Legislation on Collateralization and Probate
Transfer of Interests in Real Property
Study Committee on Model Tribal Legislation Concerning Child Custody and
Domestic Violence
Study Committee on Environmental Controls and Hazards Notice Systems
Study Committee on an Act on "Mareva Injunctions"
Study Committee on Marital and Premarital Agreements
Study Committee on a Mortgage Subrogation Act

REQUEST FOR TOPICS APPROPRIATE FOR CONSIDERATION AS UNIFORM ACTS

The Virginia Commissioners welcome suggestions from the Governor, the General Assembly, the Attorney General, the organized bar, state governmental entities, private interest groups and private citizens on ideas for new uniform or model acts. Appropriate topics are those where (i) uniformity in the law among the states will produce significant benefits to the public and (ii) it is anticipated that a majority of the states would adopt such an act.

Respectfully submitted,

Carlyle C. Ring, Jr., Chairman
Brockenbrough Lamb, Jr.
H. Lane Kneedler
Ellen F. Dyke
Thomas Edmonds
E. M. Miller, Jr.
Jessica D. French