#### THE SENATE TWENTY-FIFTH LEGISLATURE, 2009 STATE OF HAWAII

S.B. NO. 530

JAN 2 3 2009

### A BILL FOR AN ACT

MAKING APPROPRIATIONS FOR UNIFORM LAWS.

#### BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Findings and purpose. In 1889, the New York 2 Bar Association appointed a special committee on uniformity of 3 In the next year, the New York Legislature authorized the laws. 4 appointment of commissioners "to examine certain subjects of 5 national importance that seemed to show conflict among the laws 6 of the several commonwealths, to ascertain the best means to 7 effect an assimilation or uniformity in the laws of the states, and especially whether it would be advisable for the State of 8 9 New York to invite the other states of the Union to send 10 representatives to a convention to draft uniform laws to be 11 submitted for approval and adoption by the several states." In 12 that same year, the American Bar Association passed a resolution 13 recommending that each state provide for commissioners to confer 14 with the commissioners of other states on the subject of 15 uniformity of legislation on certain subjects. In August 1892, 16 the first National Conference of Commissioners on Uniform State Laws (now commonly referred to as the "Uniform Law Commission" 17



1 or "ULC") convened in Saratoga, New York, three days preceding 2 the annual meeting of the American Bar Association. By 1912, 3 every state was participating in the ULC. As it has developed, 4 the ULC is a confederation of state interests. It arose out of 5 the concerns of state government for the improvement of the law 6 and for better interstate relationships. Its sole purpose has 7 been, and remains, service to state government and improvement 8 of state law.

9 The ULC, as a state service organization, depends upon 10 state appropriations for its continued operation. All states, 11 the District of Columbia, Puerto Rico, and the U.S. Virgin 12 Islands are asked to contribute a specific amount, based on 13 population, for the maintenance of the ULC. In addition, each 14 state commission requests an amount to cover its travel to the 15 ULC annual meeting.

16 The ULC is a unique institution created to consider state 17 law and to determine in which areas of the law uniformity is 18 important. The work of the ULC has been a valuable addition 19 over time to the improvement of state law in a great many 20 subject areas. Included in that work have been acts such as the 21 Uniform Commercial Code, the Uniform Partnership Act, the 22 Uniform Limited Partnership Act, the Uniform Interstate Family



Page 2

Support Act, the Uniform Child Custody Jurisdiction Act, the 1 2 Uniform Anatomical Gift Act, and the Model State Administrative 3 Procedure Act, acts which have been adopted uniformly by nearly 4 all the states or which have been heavily utilized by most state 5 legislatures. Even with acts that have not been uniformly 6 adopted, the texts consistently contribute to the improvement of 7 the law and have served as valuable references for the 8 legislatures in their effort to improve the quality of state 9 law.

10 The procedures of the ULC ensure meticulous consideration 11 of each uniform or model act. The ULC spends a minimum of two 12 years on each draft. Sometimes, the drafting work extends much 13 longer. The drafting work for such large scale acts as the 14 Uniform Commercial Code, the Uniform Probate Code, and the 15 Uniform Land Transactions Act took nearly a decade to complete. No single state has the resources necessary to duplicate this 16 17 meticulous, careful nonpartisan effort. Without the ULC, 18 nothing like the existing body of uniform state laws would ever 19 be available to the states.

20 The ULC also permits the states to tap the skills and 21 resources of the legal profession for very little cost. No 22 Uniform Law Commissioner is paid for his or her services. He or



1 she receives only reimbursement for actual expenses incurred. The ULC estimates that each commissioner devotes approximately 2 3 two hundred hours a year to ULC work, including work on various 4 drafting committees and attendance at the annual meeting. These 5 are hours mainly spent in research and drafting work solid, 6 substantive hours. The cumulative value of this donated time in 7 the development of uniform and model acts averages over 8 \$10,000,000 per year, at a conservative estimate. The total 9 requested contribution of all the states to the operation of the 10 ULC is \$2,272,300 in fiscal year 2008-2009. The smallest state 11 contribution is \$21,800 (Wyoming) and the largest is \$144,200 12 (California and New York). Hawaii's contribution for fiscal 13 year 2008-2009 is \$25,700, which represents an extraordinarily 14 good, cost-effective investment for the citizens of Hawaii. 15 Even a modest use of the work product of the ULC quarantees any 16 state a substantial return on each dollar invested. The average 17 number is eighty-five of current uniform and model acts adopted 18 in all states. Hawaii has had one-hundred-twenty enactments of 19 uniform acts, amendments to uniform acts, and revised uniform 20 acts. For every dollar invested by each state, it has received 21 very substantial and valuable services.



### S.B. NO. 530

1 The ULC works efficiently for all of the states because 2 individual lawyers are willing to donate time to the uniform law 3 movement, and because it is a genuine cooperative effort of all 4 the states. The ULC seemed like a very good idea to its 5 founders in 1892. They saw nearly unsolvable problems resulting 6 from the rapid growth of the United States against confusing 7 patterns of inadequate state law. They were deeply concerned 8 about the evils of centralized government, fearing the unchecked 9 growth of the federal government.

The ULC continues to be a very good idea. The states have 10 11 chosen to maintain the ULC because it has been useful to them 12 and because it strengthens the states in a federal system of 13 government. Different law in different states continues to be a 14 problem. Either the states solve the problem or the issues are 15 removed to Congress. Without a state-sponsored national 16 institution like the ULC, more and more legislative activity would shift from the state capitols to Capitol Hill in 17 18 Washington, D.C.

19 The procedures for preparing an act are the result of long 20 experience with the creation of legislation. The ULC maintains 21 a standing committee called the Scope and Program Committee that 22 considers new subject areas of state law as potential for



1 uniform or model acts. That committee studies suggestions from 2 many sources, including the organized bar, state government, and 3 private persons. If a subject area cannot be adequately studied 4 by the Scope and Program Committee, it is likely to be given to 5 a special study committee. Study committees report back to the 6 Scope and Program Committee. Recommendations from the Scope and 7 Program Committee go to the ULC Executive Committee and to the 8 entire ULC for approval or disapproval, however the case may be. 9 Once a subject receives approval for drafting, a drafting

10 committee is selected, and a budget is established for the 11 committee work. A reporter is usually engaged to provide 12 professional drafting assistance, although a few committees work 13 without professional assistance. Most often, the reporters are 14 law professors with specific expertise in the area of law 15 addressed in the act they draft who work with the drafting 16 committees for very modest honorariums.

Advisors and participating observers are solicited to assist every drafting committee. The American Bar Association appoints official advisors for every committee. Participating observers may come from state government, from organizations with interests and expertise in a subject, and from the ranks of recognized experts in a subject. Advisors and participating



Page 6

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 ULC members
who compose the drafting committee may do this.

5 A committee meets according to the needs of the project. 6 Meetings ordinarily begin on Friday morning and finish by Sunday 7 noon, so as to conflict the least with ordinary working hours. 8 A short act may require one or two committee meetings. Maior 9 acts may require a meeting per month for a considerable period 10 several years, in some instances. A given committee of time 11 may produce a number of successive drafts as an act evolves.

12 The ULC is convened as a body once a year. It meets for a period of eight to twelve days, usually in July or August. At 13 14 each annual meeting, during its working life, each drafting 15 committee must present its latest working draft to the whole 16 body of the ULC. The entire text of each working draft is 17 actually read aloud a reading of a proposed uniform law is not by title only, but is considered section by section either by 18 19 section title or word for word and debated during proceedings of 20 the committee of the whole. This scrutiny continues from annual 21 meeting to annual meeting until a final draft satisfies the 22 whole body of the commissioners. No proposed uniform law



Page 7

# S.B. NO. 530

1 becomes officially recognized as a uniform act without at least 2 two years' consideration, meaning every act receives at least 3 one interim reading at an annual meeting and a final reading at 4 a subsequent annual meeting. As noted previously, there is 5 often more than one interim reading and a drafting process that 6 exceeds two years in duration. A draft becomes an official act 7 by a majority vote of the states (one vote to each state). The 8 vote by states completes the drafting work and the act is ready 9 for consideration by the state legislatures.

10 The cost of this process to the states is in travel 11 expenses, paper and publication costs, and meeting costs. 12 Nearly all the professional services are donated, thereby 13 eliminating the single greatest cost factor. For the states, 14 with their necessary cost consciousness, the system has 15 extraordinary value.

16 The governing body of the ULC is the ULC Executive 17 Committee, which is composed of the officers, certain ex officio 18 members, and members appointed by the President of the ULC. 19 Certain activities are conducted by standing committees. As 20 mentioned above, the Committee on Scope and Program considers 21 all new subject areas for possible uniform acts. The



1 Legislative Committee superintends the relationships of the ULC 2 to the state legislatures. 3 A small staff located in Chicago operates the national 4 office of the ULC. The national office handles meeting 5 arrangements, publications, and general administration for the 6 ULC and provides support for drafting and legislative efforts. 7 The ULC has consciously limited its staff to prevent 8 accrual of needless administrative costs. The full time staff 9 consists of only fourteen people. In addition, the ULC 10 contracts with professional, independent contractors for part of 11 its public information and educational materials. 12 The ULC maintains relations with several sister organizations. Official liaison is maintained with the American 13 14 Bar Association, which contributes an amount each year to the 15 operation of the ULC. Liaison is also maintained with the American Law Institute, the Council of State Governments, and 16 the National Conference of State Legislatures on an ongoing 17 basis. Liaison and activities may be conducted with other 18 19 associations as interests and activities necessitate. 20 Hawaii created a commission to participate in the ULC in 21 The Hawaii commission to promote uniform legislation is 1911. 22 presently within the state department of the attorney general



## S.B. NO. 530

1 and, pursuant to section 26-7, Hawaii Revised Statutes, is 2 advisory to the attorney general and to the legislature on 3 matters relating to the promotion of uniform legislation. 4 Pursuant to sections 3-1 and 26-7, Hawaii Revised Statutes, the 5 commission consists of five members, who are appointed by the 6 governor, with the advice and consent of the senate, for 7 staggered terms of four years and until their successors are appointed and qualified. The ULC Constitution requires that 8 9 each commissioner be a lawyer. A deputy attorney general, 10 assigned by the attorney general to coordinate the review and preparation of legislative bills, sits with the commission to 11 12 provide technical assistance, as necessary, and is recognized as 13 an associate member of Hawaii's delegation to the ULC. 14 The work of the ULC cannot be accomplished independently by 15 a small state such as the State of Hawaii. Consequently, the

16 continued support of and participation in the ULC by this State 17 is essential to continue the work of drafting and revising 18 uniform laws concerning matters of state interest. The purpose 19 of this bill is to provide the necessary funds for Hawaii's 20 contribution to the costs of the ULC for fiscal year 2009-2010 21 and for the costs of sending Hawaii's delegation to the ULC 2009 22 annual meeting.



# S.B. NO. 530

1 SECTION 2. There is appropriated out of the general 2 revenues of the State of Hawaii the sum of \$ , or so much 3 thereof as may be necessary, for fiscal year 2009-2010, for 4 Hawaii's contribution to the costs of the National Conference of 5 Commissioners on Uniform State Laws and for the registration and 6 travel expenses for the commission to promote uniform 7 legislation of the department of the attorney general, life 8 members of the National Conference of Commissioners on Uniform 9 State Laws volunteering their services as part of the Hawaii 10 delegation, and the assigned deputy attorney general to attend 11 the 2009 annual meeting of the National Conference of 12 Commissioners on Uniform State Laws. 13 SECTION 3. The sum appropriated shall be expended by the 14 department of the attorney general for the purposes of this Act. SECTION 4. This Act shall take effect on July 1, 2009. 15 16 INTRODUCED BY



S.B. NO. 530

Report Title: Uniform Laws

#### Description:

Appropriates funds to pay State's dues to the Uniform Law Commission and for state commission to promote uniform legislation.

