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### STATE OF HAWAII **DEPARTMENT OF THE ATTORNEY GENERAL**

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January 30, 2017

The Honorable Ronald D. Kouchi, President and Members of the Senate Twenty-Ninth State Legislature State Capitol, Room 409 Honolulu, Hawaii 96813

The Honorable Joseph M. Souki, Speaker and Members of the House of Representatives Twenty-Ninth State Legislature State Capitol, Room 431 Honolulu, Hawaii 96813

Dear President Kouchi, Speaker Souki, and Members of the Legislature:

For your information and consideration, I am transmitting a copy of the 2016 Report of the Commission to Promote Uniform Legislation. In accordance with Section 93-16, Hawaii Revised Statutes, I am also informing you that the report may be viewed electronically at http://ag.hawaii.gov/publications/reports/reports-to-the-legislature/2017-reports/.

Sincerely,

Douglas S. Chin Attorney General

**Enclosure** 

# STATE OF HAWAII Department of the Attorney General



# 2016 REPORT OF THE COMMISSION TO PROMOTE UNIFORM LEGISLATION

SUBMITTED TO
THE TWENTY-NINTH STATE LEGISLATURE
Regular Session of 2017

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## STATE OF HAWAII DEPARTMENT OF THE ATTORNEY GENERAL

### 2016 REPORT OF THE

### COMMISSION TO PROMOTE UNIFORM LEGISLATION

# TO THE HONORABLE MEMBERS OF THE TWENTY-NINTH LEGISLATURE:

The Hawaii Commission to Promote Uniform Legislation, the members of which are Hawaii's representatives to the National Conference of Commissioners on Uniform State Laws, respectfully submits this 2016 Report.

I. HISTORY OF THE NATIONAL CONFERENCE OF COMMISSIONERS ON UNIFORM STATE LAWS (NOW REFERRED TO AS THE UNIFORM LAW COMMISSION)

In 1889, the New York Bar Association appointed a special committee on uniformity of laws. In the next year, the New York Legislature authorized the appointment of commissioners "to examine certain subjects of national importance that seemed to show conflict among the laws of the several commonwealths, to ascertain the best means to effect an assimilation or uniformity in 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 that same year, the American Bar Association passed a resolution recommending that each state provide for commissioners to confer with the commissioners of other states on the subject of uniformity of legislation on certain subjects. In August 1892, the first National Conference of Commissioners on Uniform State Laws (now commonly referred to as the "Uniform Law Commission" or "ULC") convened in Saratoga, New York, three days preceding the annual

meeting of the American Bar Association. By 1912, every state was participating in the ULC. As it has developed, the ULC is a confederation of state interests. It arose out of the concerns of state government for the improvement of the law and for better interstate relationships. Its sole purpose has been, and remains, service to state government and improvement of state law.

### II. OPERATION OF THE ULC

### A. Financial Support of the ULC.

The ULC, as a state service organization, depends upon state appropriations for its continued operation. All states, the District of Columbia, the Commonwealth of Puerto Rico, and the United States Virgin Islands are asked to contribute a specific amount, based on population, for the maintenance of the ULC. In addition, each state commission requests an amount to cover its travel to the ULC annual meeting.

The ULC is a unique institution created to consider state law and to determine in which areas of the law uniformity is important. The work of the ULC has been a valuable addition over time to the improvement of state law in a great many subject areas. Included in that work have been acts such as the Uniform Commercial Code, the Uniform Partnership Act, the Uniform Limited Partnership Act, the Uniform Interstate Family Support Act, the Uniform Controlled Substances Act, the Uniform Anatomical Gift Act, the Uniform Unclaimed Property Act, the Uniform Probate Code, and the Model State Administrative Procedure Act, acts that have been adopted uniformly by nearly all the states or that have been heavily utilized by most state legislatures. Even with acts that have not been uniformly adopted, the texts consistently contribute to the improvement of the law and have served as valuable references for the legislatures in their effort to improve the quality of state law.

The procedures of the ULC ensure meticulous consideration of each uniform or model act. The ULC spends a minimum of two years on each draft. Sometimes, the drafting work extends much longer. The drafting work for such large-scale acts as the Uniform Commercial Code, the Uniform Probate Code, and the Uniform Land Transactions Act took nearly a decade to complete. No single state has the resources necessary to duplicate this meticulous, careful non-partisan effort. Working together with pooled resources through the ULC, the states can produce and have produced the impressive body of state laws called the Uniform State Laws. Without the ULC, nothing like the existing body of uniform state laws would ever be available to the states.

The ULC also permits the states to tap the skills and resources of the legal profession for very little cost. No Uniform Law Commissioner is paid for his or her services. He or she receives only reimbursement for actual expenses incurred. The ULC estimates that each commissioner devotes approximately 150 hours a year to ULC work, including work on various drafting committees and attendance at the annual meeting. These are hours mainly spent in research and drafting work -- solid, substantive hours. The cumulative value of this donated time in the development of uniform and model acts represents literally thousands of hours of legal expertise. The total requested contribution of all the states to the operation of the ULC is \$2,781,400 in fiscal year 2016-2017. The smallest state contribution is \$18,500, and the largest is \$162,100. Hawaii's contribution for fiscal year 2016-2017 is \$34,500, which represents an extraordinarily good, costeffective investment for the citizens of Hawaii. Even a modest use of the work product of the ULC guarantees any state a substantial return on each dollar invested. The State of Hawaii has had one hundred thirty-six enactments of uniform acts, amendments to uniform acts, and revised uniform acts. For every dollar invested by each state, it has received very

substantial and valuable services.

The annual budget of the ULC comes to \$3,930,219 for the current fiscal year (July 1, 2016 to June 30, 2017). Of this amount, \$1,037,103 (approximately 26.4%) 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 \$230,629 (or 5.9%). About \$670,881 (17%) is spent in assisting state legislatures with bills based on uniform and model acts and this amount includes salaries and travel expenses. About \$472,470 (12%) is spent on the annual meeting. Public education for uniform and model acts costs about \$113,900 (2.9%) and includes contractual services, materials costs, and travel expenses. The remainder of the budget pays general administrative costs, governance costs, and occupancy expenses.

The ULC 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. All money received from any source is accepted with the understanding that the ULC's drafting work is completely autonomous. No source may dictate the contents of any act because of a financial contribution. By seeking grants for specific projects, the ULC expands the value of every state dollar invested in its work.

The Uniform Commercial Code (UCC) is a joint venture between the ULC and the American Law Institute (ALI). The ALI holds the 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 is paid from Falk Foundation income.

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

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

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

### B. Creation of Uniform and Model Acts.

The procedures for preparing an act are the result of long experience with the creation of legislation. The ULC maintains a standing committee called the Scope and Program Committee that considers new subject areas of state law for potential uniform or model acts. That committee studies suggestions from many sources, including the organized bar, state government, and private persons. If a subject area cannot be adequately

studied by the 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. Recommendations from the Scope and Program Committee go to the ULC Executive Committee.

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 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 observers are invited to work with drafting committees and to contribute comments. They do not make decisions with respect to the final contents of an act. Only the ULC members who compose the drafting committee may do this.

A committee meets according to the needs of the project. A meeting ordinarily begins on Friday morning and finishes by Sunday noon, so as to conflict the least with ordinary working hours. A short act may require one or two committee meetings. Major acts may require a meeting per month for a considerable period of time -- several years, in some instances. A given committee may produce a number of successive drafts, as an act evolves.

At each annual meeting during its working life, each drafting committee must present its work to the whole body of the ULC. The most current draft is read and debated. The entire text of each working draft is actually read aloud -- a reading of a proposed uniform law is not by title only, but is considered section by section either by section title or word for word --

and debated during proceedings of the committee of the whole. This scrutiny continues from annual meeting to annual meeting until a final draft satisfies the whole body of the commissioners. Except in extraordinary circumstances, 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. As noted previously, there is often more than one interim reading and a drafting process that exceeds two years in duration. A draft becomes an official act by a majority vote of the states (one vote to each state). 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. For the states, with their necessary cost consciousness, the system has extraordinary value.

### C. Administration of the ULC.

The governing body of the ULC is the ULC Executive Committee, which is composed of the officers, certain ex officio members, and members appointed by the President of the ULC. Certain activities are conducted by standing committees. As mentioned above, the Committee on Scope and Program considers all new subject areas for possible uniform acts. The Legislative Committee superintends the relationships of the ULC to the state legislatures.

A small staff located in Chicago operates the national office of the ULC. The national office provides support for drafting and legislative efforts and handles meeting arrangements, publications, legislative liaison, and general administration for the ULC.

The ULC has consciously limited its staff to prevent accrual of needless administrative costs. The full-time staff numbers only thirteen people. The small staff provides support for drafting and legislative efforts. In addition, the ULC contracts for professional services to aid in the drafting effort. These professional reporters, so-called, are engaged at very modest honoraria to work with drafting committees on specific acts. Most often they are law professors with specific expertise in the area of law addressed in the act they draft. The ULC also contracts with professional, independent contractors for part of its public information and educational materials.

The ULC maintains relations with several sister organizations. Official liaison is maintained with the American Bar Association, which contributes an amount each year to the operation of the ULC. Liaison is also maintained with the American Law Institute, the Council of State Governments, and the National Conference of State Legislatures on an ongoing basis. Liaison and activities may be conducted with other associations as interests and activities necessitate.

### III. ACTIVITIES OF THE HAWAII COMMISSIONERS

# A. <u>Membership of the Hawaii Commission to Promote Uniform</u> Legislation.

The Hawaii Commission to Promote Uniform Legislation was originally created by law in 1911. The Commission is placed within the State Department of the Attorney General and, pursuant to section 26-7, Hawaii Revised Statutes, is advisory to the Attorney General and to the Legislature on matters relating to the promotion of uniform legislation. Pursuant to sections 3-1 and 26-7, Hawaii Revised Statutes, the Commission consists of five members, who are appointed by the Governor, with the advice and consent of the Senate, for staggered terms of four years and until their successors are appointed and qualified. The ULC Constitution requires that

each commissioner be a lawyer. A deputy attorney general, assigned by the Attorney General to coordinate the review and preparation of legislative bills, sits with the Commission to provide technical assistance, as necessary, and is recognized as an associate member of Hawaii's delegation to the ULC.

Hawaii's participation, both in terms of appointing uniform law commissioners and contributing funds, is essential. Hawaii benefits from the excellent body of law created for its consideration. The ULC, and all the states, benefit from having Hawaii's direct contribution to the work of the ULC. Hawaii's ideas and experience influence the whole, and the uniform law process is not complete without them. Value contributed returns value, and everybody in every state benefits.

The members of the Hawaii Commission during 2015-2016 were as follows:

- (1) Lani Liu Ewart;
- (2) Peter Hamasaki;
- (3) Elizabeth Kent;
- (4) Kevin Sumida; and
- (5) Ken H. Takayama

The members of the Hawaii Commission for 2016-2017 will remain the same.

Former commissioner Robert S. Toyofuku continued to actively participate in ULC activities as a ULC Life Member. Upon recommendation of the ULC Executive Committee and by the affirmative vote of two-thirds of the commissioners present at an annual meeting, he was elected as a ULC Life Member with the privilege to participate in ULC activities. Deputy Attorney General Maurice S. Kato of the Legislative Division has been assigned by the Attorney General to provide staff support for the commissioners and is recognized as an Associate Member of the ULC.

### B. <u>ULC Committee Assignments.</u>

The ULC President appoints committees to investigate, study, and, if desirable, draft and review proposed uniform and model acts on subjects designated by the Executive Committee. Committee appointments are selectively made -- not all members of the ULC have the privilege of serving on a committee. The commissioners are assigned committees and contribute to the work relating to various uniform act committees as follows:

### LANI LIU EWART

For 2015-2016, Commissioner Ewart served on the Standby
Committee on Uniform Partition of Heirs Property Act and on the Joint Study
Committee on Harmonization of the Law of Canada, Caribbean Nations, and
the United States Concerning Registration of Foreign Judgments.

For 2016-2017, Commissioner Ewart will continue to serve on the Standby Committee on Uniform Partition of Heirs Property Act, on the Joint Study Committee on Harmonization of the Law of Canada, Caribbean Nations, and the United States Concerning Registration of Foreign Judgments.

In 2015-2016, Commissioner Ewart was a Liaison Member to the Uniform Law Foundation Trustees, and will continue to be a member in 2016-2017.

Commissioner Ewart responded to questions by phone and email regarding various uniform acts, including Article 9 of the Uniform Commercial Code, Powers of Appointment, Electronic Transactions Act and the Trust Code. She worked on the article relating to the activities of the Uniform Law Commission and CPUL that was published in the Hawaii Bar Journal and she prepared a letter to the Judiciary regarding the bills in the

2016 legislative session that related to uniform acts.

### PETER J. HAMASAKI

For 2015-2016, Commissioner Hamasaki served on the Standby Committee to Revise the Uniform Law on Notarial Acts.

For 2016-2017, Commissioner Hamasaki will serve on the Study Committee on Amendments to the Revised Uniform Law on Notarial Acts, and continue to serve on the Standby Committee to Revise the Uniform Law on Notarial Acts.

Commissioner Hamasaki corresponded with the University of Hawaii General Counsel regarding the Revised Uniform Athlete Agents Act and Uniform Employee and Student Online Privacy Protection Act. On November 7, 2016, he participated in a conference call for the Study Committee on Amendments to the Revised Uniform Law on Notarial Acts.

### **ELIZABETH KENT**

For 2015-2016, Commissioner Kent served as a member of the Standby Committee on a Uniform Collaborative Law Act, the Drafting Committee on Uniform Family Law Arbitration Act, the Drafting Committee on Model Veterans Court Act, and the Standby Committee on Home Foreclosure Procedures Act. She also served as a member of the Committee to Monitor Developments in Civil Litigation and Dispute Resolution.

For 2016-2017, Commissioner Kent will serve on the Joint Study Committee on Harmonization of the Law of Canada, Caribbean Nations and the United States Concerning Registration of Foreign Judgments and will continue to serve as a member of the Standby Committee on a Uniform Collaborative Law Act, the Standby Committee on Uniform Family Law

Arbitration Act, the Drafting Committee on Model Veterans Court Act, and the Standby Committee to Monitor Developments in Civil Litigation and Dispute Resolution.

Commissioner Kent attended two meetings of the Drafting Committee on Model Veterans Court Act, one on February 20-21, 2016, in Chicago, Illinois and one on October 14-16, 2016, in Washington, D.C. Additionally, she attended a veterans treatment court conference in Kona, Hawaii, on August 12, 2016. She also attended a meeting of the Drafting Committee on Uniform Family Law Arbitration Act on March 18-20, 2016, in Washington D.C.

She corresponded by telephone and email with Barbara Atwood,
Chair of the Standby Committee on the Family Law Arbitration Act; James
Hoenig, Professional Mediator/Arbitrator, of Dispute, Prevention and
Resolution; and others relating to the enactment of the Uniform Family Law
Arbitration Act. She also drafted correspondence and articles for the Hawaii
State Bar Association Journal, and generally assisted with promoting
uniform state laws.

### KEVIN P. H. SUMIDA

In 2015-2016, Commissioner Sumida served as a member of the Standby Committee on Harmonization of Business Entity Acts and on the Standby Committee on the Revised the Uniform Residential Landlord and Tenant Act (2015).

For 2016-2017, Commissioner Sumida will also serve on the Study Committee for Trust Management of funds Raised Through Public Fundraising Act. He will also continue to serve as a member of the Standby Committee on Harmonization of Business Entity Acts and the Standby Committee on the Revised Uniform Residential Landlord and Tenant Act (2015).

He participated in telephone conferences on the Study Committee for Trust Management of Funds Raised Through Public Fundraising Act and met with the Standby Committee on the Revised Uniform Residential Landlord and Tenant Act (2015) during the annual meeting in July.

### KEN H. TAKAYAMA

For 2015-2016, Commissioner Takayama served as a member of the Study Committee on the Regulation of Drones and of the Standby Committee on Uniform Deployed Parents Custody and Visitation Act. In addition, he served as Hawaii's liaison member of the Legislative Committee and as a member of the Committee of Legislative Attorneys and on the Committee on Membership and Attendance.

For 2016-2017, Commissioner Takayama will serve on the Study Committee on Regulation of Drones and the Standby Committee on Uniform Deployed Parents Custody and Visitation Act. He will also continue to serve as Hawaii's liaison member of the Legislative Committee and as a member of the Committee of Legislative Attorneys and the Committee on Membership and Attendance.

During the year, Commissioner Takayama spent 4.25 hours participating in 5 conference calls for the Study Committee on Regulation of Drones and spent an additional 26.75 hours in research and preparing for the conference calls. He also spent approximately 21 hours doing background research on uniform acts, including the Uniform Athlete Agents Act, Uniform Employee and Student Online Privacy Protection Act, and the Uniform Trust Code.

### ROBERT S. TOYOFUKU

For 2015-2016, Life Member Robert S. Toyofuku served as a member of the Legislative Council and will continue to serve as such during 2016-2017. He is the Legislative Committee council member who oversees the legislative activities in the states in the Western Region (Alaska, California, Hawaii, Nevada, Oregon, and Washington).

The Legislative Committee was created as a standing committee to encourage the development of legislative programs in each state to accomplish the introduction and passage of bills to enact uniform and model acts of the ULC. The activities of the Legislative Committee are directed by the Chair and the Legislative Council. Each state and the District of Columbia, the Commonwealth of Puerto Rico, and the United States Virgin Islands are represented by a commissioner designated as the liaison member for that jurisdiction who is responsible for the legislative program in that commissioner's home jurisdiction. The represented jurisdictions are grouped into ten regions. A member of the Legislative Council is assigned to each region, with the responsibility to oversee the legislative activities in the states in the assigned region. As a member of the Council, Life Member Toyofuku is responsible to work with the liaisons from six states: Alaska, California, Hawaii, Nevada, Oregon, and Washington, and monitor progress on any legislation regarding ULC acts.

In 2016, Life Member Toyofuku, as a member of the Legislative Council, participated in monthly conference calls (about 30-45 minutes) with members of the Council from January through April and participated in a longer conference call in May. He also attended a Legislative Council meeting during the 2016 ULC annual meeting in Stowe, Vermont, and participated in the legislative breakfast meeting with the states in his region.

He attended a council meeting in Chicago, Illinois, on January 28-31, 2016.

He also had various e-mail correspondence and telephone conversations with the national ULC office and the Hawaii Commissioners.

### C. Meetings Attended.

The commissioners attended the meetings of their respective ULC committees (as listed in the previous section), which are scheduled by the committee chairs as needed and which are usually held on the mainland. In addition, the ULC met in its 125th year in Stowe, Vermont, from July 8-14, 2016.

Commissioners Ewart, Hamasaki, Kent, Sumida, and Takayama and former Hawaii Commission member and ULC Life Member Toyofuku attended the 2016 annual meeting. Mr. Kato did not attend the meeting.

During the sessions of the annual meeting of the ULC, the commissioners who are members of committees meet separately with their committees and, if scheduled, appear with their committees on the dais in the main meeting room during the reading of draft uniform acts.

After consideration of the latest drafts, the ULC approved seven new uniform acts or amendments to existing acts: the Uniform Employee and Student Online Privacy Protection Act; the Uniform Family Law Arbitration Act; the Revised Uniform Unclaimed Property Act; the Uniform Unsworn Domestic Declarations Act; the Uniform Unsworn Declarations Act; the Uniform Wage Garnishment Act; and an amendment to the Revised Uniform Law on Notarial Acts.

Further information on the ULC and copies of the approved final drafts of the uniform acts can be found at its website, http://uniformlaws.org/.

### D. <u>Legislative Appearances by the Hawaii Commissioners.</u>

Commissioner Takayama served in 2015-2016 as the Commission's liaison to the Hawaii State Legislature. The Commission to Promote Uniform Legislation is advisory to the State Legislature, as well as to the Attorney General, and stands ready to assist the Legislature in providing information on any uniform act that the Legislature may be considering for enactment. Consequently, the Hawaii commissioners, upon notification by Commissioner Takayama of scheduled public hearings and as assigned by Commissioner Ewart, have testified before the committees of the Legislature when public hearings have been held on bills to enact uniform laws.

During the regular session of 2016, Commissioner Takayama and Life Member Toyofuku arranged for the introduction of and/or monitored the movement of bills with regard to the Uniform Fiduciary Access to Digital Assets Act and the Uniform Partition of Heirs Property Act. They spent time at the Legislature meeting with various legislators regarding ULC related bills. They, together with the other commissioners, also prepared testimony and testified before various Senate and House committees.

Commissioner Ewart, in connection with the Uniform Partition of Heirs Property Act, prepared testimony for hearings before the Senate Committee on Commerce, Consumer Protection and Health, the House Committee on Consumer Protection and Commerce, and the Senate Committee on Judiciary and Labor. During the 2016 session, Commissioner Ewart also reviewed and commented on testimony regarding the Uniform Fiduciary Access to Digital Assets Act, reviewed the testimony of other commissioners relating to uniform acts before the Legislature, and prepared testimony in support of the reappointments of Kevin Sumida and Peter Hamasaki for additional terms to the CPUL.

Commissioner Sumida spent time reviewing material and testimony on various acts introduced.

Commissioner Kent spent time reviewing material and testimony on the various acts introduced.

Commissioner Takayama spent approximately 15 hours researching, drafting, reviewing testimony, and testifying on bills relating to the Uniform Interstate Family Support Act and the Uniform Fiduciary Access to Digital Assets.

Commissioner Hamasaki prepared, reviewed, and submitted testimony and testified on bills relating to the Uniform Fiduciary Access to Digital Assets Act (revised), which eventually was enacted as Act 162, Session Laws of Hawaii 2016.

### IV. UNIFORM ACTS ENACTED IN HAWAII

The State of Hawaii has supported the ULC not only by sending a delegation of commissioners to the ULC but also by enacting the uniform acts adopted by the ULC. However, as with other statutes, the process of review and amendment of uniform acts is an ongoing, never-ending process that responds to changing circumstances and needs of our society.

### A. Uniform Acts Introduced for Enactment in 2016.

During the regular session of 2016, two bills were introduced to enact the Uniform Fiduciary Access to Digital Assets Act and the Uniform Partition of Heirs Property Act. The Uniform Fiduciary Access to Digital Assets Act was passed by the Legislature and approved by the Governor as Act 162 on June 29, 2016. The Uniform Partition of Heirs Property Act was passed by the Legislature and approved by the Governor as Act 260 on July 12, 2016.

### B. <u>Table of Uniform Acts Enacted in Hawaii.</u>

Attached as Appendix 1 to this report is a table listing the seventy-nine original, amended, or revised uniform acts enacted in Hawaii, either as a whole, in a substantially similar version, or in a modified version. The table also lists the references to the Hawaii Revised Statutes where the uniform acts or their similar or modified versions may be found. Some of the listed uniform acts, such as the Uniform Criminal Extradition Act, have been superseded by other uniform acts adopted by the ULC after enactment in Hawaii. A review of the superseding uniform acts should be done on an ongoing basis for the eventual updating of the Hawaii Revised Statutes by enactment of the superseding uniform acts.

### V. A SUMMARY OF NEW UNIFORM ACTS

During the 2016 annual meeting, the ULC considered and adopted seven new uniform acts or amendments to existing acts. These acts are briefly described below, based on summaries prepared by the ULC.

### A. <u>Uniform Employee and Student Online Privacy Protection Act.</u>

Today, most individuals have online accounts of some type. These include social media accounts, bank accounts, and email accounts, among others. Generally, when someone asks for access to the login information for, or content of, a personal online account, an individual is free to say no. But that is less true in the employment and educational contexts. Indeed, employers and educational institutions now sometimes ask current and/or prospective employees and students to grant the employer or school access to social media or other name and password protected accounts. The Uniform Employee and Student Online Privacy Protection Act addresses both employers' access to employees or prospective employees' social media and other online accounts accessed via username and password or

other credentials of authentication as well as educational institutions' access to students' or prospective students' similar online accounts.

### B. Uniform Family Law Arbitration Act.

States' laws vary when it comes to arbitrating family law matters such as spousal support, division of property, child custody, and child support. The Uniform Family Law Arbitration Act standardizes the arbitration of family law. It is based in part on the Revised Uniform Arbitration Act, though it departs from the RUAA in areas in which family law arbitration differs from commercial arbitration, such as: standards for arbitration of child custody and child support; arbitrator qualifications and powers; protections for victims of domestic violence. This act is intended to create a comprehensive family law arbitration system for the states. It is an overlay statute meant to work together with the state's existing choice-of-law rules and contractual arbitration law.

### C. Revised Uniform Unclaimed Property Act.

The ULC first drafted uniform state legislation on unclaimed property in 1954. Since then, revisions have been promulgated in 1981 and again in 1995. Many technological developments in recent years as well as new types of potential unclaimed property, such as gift cards, are not addressed in the most current uniform act. The Revised Uniform Unclaimed Property Act updates provisions on numerous issues, including escheat of gift cards and other stored-value cards, life insurance benefits, securities, dormancy periods, and use of contract auditors. The revised act provides a comprehensive and extensive set of revisions, including provisions related to: when property is presumed abandoned; which state has custody of property; the recovery of unclaimed property from states by owners; the powers and responsibilities granted to state unclaimed property

administrators; and the rights of holders to seek administrative and judicial review of examinations conducted by administrators.

### D. <u>Uniform Unsworn Domestic Declarations Act.</u>

The Uniform Unsworn Domestic Declarations Act builds upon the Uniform Unsworn Foreign Declarations Act, which covers unsworn declarations made outside the United States. This new uniform act permits the use of unsworn declarations made under penalty of perjury in state courts when the declaration was made inside the U.S. States that have already enacted the Uniform Unsworn Foreign Declarations Act (UUFDA) should enact this act.

### E. Uniform Unsworn Declarations Act.

The Uniform Unsworn Declarations Act builds upon the Uniform Unsworn Foreign Declarations Act (UUFDA), which covers unsworn declarations made outside the boundaries of the United States, and the Uniform Unsworn Domestic Declarations Act (UUDDA), which covers unsworn declarations made inside the U.S. States that have not enacted the Uniform Unsworn Foreign Declarations Act should enact this act, which essentially combines both the UUFDA and the UUDDA into one comprehensive act.

### F. Uniform Wage Garnishment Act.

Currently, every state has a different wage garnishment law and process. This means that employers who do business across multiple states must know and abide by a different, and often complex, law for each jurisdiction. If employers make processing errors calculating garnishments, they may face civil penalties. The Uniform Wage Garnishment Act seeks to simplify and clarify wage garnishments for employers, creditors, and

consumers by standardizing how the wage garnishment process works and offering plain-language notice and garnishment calculation forms. The UWGA creates a standard system for wage garnishments that is largely removed from the courts, operates efficiently thereby reducing costs, and provides employees with plain-language notification of their rights and obligations as well as providing them with other protections. The UWGA applies only to what is sometimes called a "debt garnishment," meaning a garnishment by a creditor with a money judgment.

# G. Revised Uniform Law on Notarial Acts: Amendment on Foreign Remote Notarization.

The Amendment to the Revised Uniform Law on Notarial Acts authorizes notaries public to perform notarial acts in the state in which they are commissioned for individuals who are located outside the United States. The amendment is optional for the states. The amendment requires the use of audio- and video-technologies for real-time communication, and requires the notary to record the interaction. It authorizes the commissioning agency to regulate the technologies used. The act of the individual in making the statement or signing the record must not be prohibited in the foreign state in which the individual is physically located. The certificate affixed by the notary to the record must indicate that the notarial act took place while the individual was located in a foreign country.

### VI. RECOMMENDATIONS FOR ENACTMENT IN 2017

The Hawaii Commission to Promote Uniform Legislation annually selects uniform acts that have not yet been enacted in Hawaii and recommends the enactment of those selected uniform acts. However, the Commission's selection is based in part on practical and logistical considerations and the number of uniform acts recommended for enactment in any legislative session is not intended to imply that other uniform acts

should not be considered. The Commission stands ready to provide information and support on any uniform act that the Legislature may have before it for consideration.

For the regular session of 2017, the Commission supports enactment of the Revised Uniform Athlete Agents Act (2015) and the Uniform Family Law Arbitration Act.

### A. Uniform Family Law Arbitration Act.

The Uniform Family Law Arbitration Act is summarized on page 19 in section V of this report. The Revised Uniform Athlete Agents Act (2015) is summarized below:

### B. Revised Uniform Athlete Agents Act.

The Revised Uniform Athlete Agents Act (2015) is an update of the Uniform Athlete Agents Act of 2000, which has been enacted in 42 states. The 2000 act governs relations among student athletes, athlete agents, and educational institutions, protecting the interests of student athletes and academic institutions by regulating the activities of athlete agents. The revised act makes numerous changes to the original act, including expanding the definition of "athlete agent" and "student athlete"; providing for reciprocal registration between states; adding new requirements to the signing of an agency contract; and expanding notification requirements.

### VII. CONCLUSION

The Hawaii Commission to Promote Uniform Legislation offers its assistance in obtaining information or advice regarding the uniform acts recommended for consideration, or any other uniform act adopted by the ULC. The Commission wishes to express its appreciation for the interest in

and support of the Commission's efforts to promote uniform legislation that have been received from the Governor, the Attorney General, and the Legislature.

Respectfully submitted,

COMMISSION TO PROMOTE UNIFORM LEGISLATION

By:

ANI L. EWART

Chairman

# TABLE OF UNIFORM ACTS ENACTED IN HAWAII

	ACT (Date of ULC Adoption or Amendment)	HAWAII REVISED STATUTES
1.	Uniform Adult Guardianship and Protective Proceedings Jurisdiction Act	Chapter 551G
2.	Uniform Anatomical Gift Act (1968)(1987)(2008)	Part I, Chapter 327
3.	Uniform Arbitration Act (1956)(2000)	Chapter 658A
4.	Uniform Athlete Agents Act (2000)	Chapter 481E
5.	Uniform Attendance of Out of State Witnesses Act (1931)(1936)	Chapter 836
6.	Uniform Child Custody Jurisdiction Act (1968)	Chapter 583 (Repealed 2002)
7.	Uniform Child-Custody Jurisdiction and Enforcement Act (1997)	Chapter 583A
8.	Uniform Collaborative Law Act	Chapter 658G
9.	Uniform Commercial Code (1951)(1957) (1962)(1966) (and Revised Articles)	Chapter 490
10.	Uniform Commercial Code Article 1 – General Provisions (2001)	Article 1, Chapter 490
11.	Uniform Commercial Code Article 2A Leases (1987)(1990)	Article 2A, Chapter 490
12.	Uniform Commercial Code Article 3 Negotiable Instruments (1990)(1991)	Article 3, Chapter 490
13.	Uniform Commercial Code Article 4 Bank Deposits and Collections (1990)	Article 4, Chapter 490

	ACT (Date of ULC Adoption or Amendment)	HAWAII REVISED STATUTES
14.	Uniform Commercial Code Article 4A Funds Transfer (1989) (2013)	Article 4A, Chapter 490
15.	Uniform Commercial Code Article 5 Letters of Credit (1995)	Article 5, Chapter 490
16.	Uniform Commercial Code Article 6 Bulk Sales (1989)	Article 6, Chapter 490 (Repealed 1998)
17.	Uniform Commercial Code Article 7 Documents of Title (2003)	Article 7, Chapter 490
18.	Uniform Commercial Code Article 8 Investment Securities (1977)(1994)	Article 8, Chapter 490
19.	Uniform Commercial Code Article 9 Secured Transactions (1972) (1999) (2010)	Article 9, Chapter 490
20.	Uniform Common Trust Fund Act (1938)(1952)	Chapter 406
21.	Uniform Controlled Substances Act (1970)(1973)	Chapter 329 (Substantially similar)
22.	Uniform Criminal Extradition Act (Superseded 1980)	Chapter 832
23.	Uniform Custodial Trust Act (1987)	Chapter 554B
24.	Uniform Deceptive Trade Practices Act (1964)(1966)	Chapter 481A
25.	Uniform Determination of Death Act (1978)(1980)	§ 327C-1 (Substantially similar definition)

	ACT (Date of ULC Adoption or Amendment)	HAWAII REVISED STATUTES
26.	Uniform Disclaimer of Property Interests Act (1999)	Chapter 526
27.	Uniform Disposition of Community Property Rights at Death Act (1971)	Chapter 510
28.	Uniform Division of Income for Tax Purposes Act (1957)	Part II, Chapter 235
29.	Uniform Durable Power of Attorney Act (1979)(1987)	Chapter 551D
30.	Uniform Electronic Legal Material Act	Chapter 98
31.	Uniform Electronic Transactions Act (1999)	Chapter 489E
32.	Uniform Enforcement of Foreign Judgments Act (1948)(1964)	Chapter 636C
33.	Uniform Environmental Covenants Act	Chapter 508C
34.	Uniform Rules of Evidence Act (1953)(1974)(1986)(1988)	Chapter 626
35.	Uniform Fiduciaries Act (1922)	Chapter 556
36.	Uniform Fiduciary Access to Digital Assets Act	Chapter 556A
37.	Uniform Foreign-Country Money Judgments Recognition Act (2005)	Chapter 658F
38.	Uniform Foreign-Money Claims (1989)	Chapter 658B
39.	Uniform Foreign Money Judgments Recognition Act (1962)	Chapter 658C
40.	Uniform Fraudulent Transfer Act (1984)	Chapter 651C

	ACT (Date of ULC Adoption or Amendment)	HAWAII REVISED STATUTES
41.	Uniform Guardianship and Protective Proceedings Act (1997)	Parts 1-4, Article V, Chapter 560
42.	Uniform Health-Care Decisions Act (Modified)	Chapter 327E
43.	Uniform Information Practices Code (1980)	Chapter 92F (Substantially similar)
44.	Uniform Interstate Depositions and Discovery Act	Chapter 624D
45.	Uniform Interstate Family Support Act (1992)(1996)(2015)	Chapter 576B
46.	Uniform Jury Selection and Service Act (1970)(1971)	Part I, Chapter 612 (Substantially similar)
47.	Uniform Limited Liability Company Act (1995) (1996)	Chapter 428
48.	Uniform Limited Partnership Act (1976)(1983)(1985)	Chapter 425D (Repealed effective July 1, 2004)
49.	Uniform Limited Partnership Act (2001)	Chapter 425E (Effective on July 1, 2004)
50.	Uniform Management of Institutional Funds Act (1972)	Chapter 517D
51.	Uniform Mediation Act (2013) (2014)	Chapter 658H
52.	Uniform Military and Overseas Voters Act	Chapter 15D
53.	Uniform Parentage Act (1973)	Chapter 584
54.	Uniform Partition of Heirs Property Act	Chapter 668A

	ACT (Date of ULC Adoption or Amendment)	HAWAII REVISED STATUTES
55.	Uniform Partnership Act (1914) (1997)	Part IV, Chapter 425
56.	Uniform Photographic Copies as Evidence Act (1949)	§ 626-1, Rules 1001 to 1008
57.	Uniform Power of Attorney Act (2014)	Chapter 551E
58.	Uniform Premarital Agreement Act (1983)	Chapter 572D
59.	Uniform Principal and Income Act (1997)(2000)	Chapter 557A
60.	Uniform Probate Code (1969)(1975)(1982)(1987)(1989) (1990)(1991)(1998)	Chapter 560
61.	Model Protection of Charitable Assets Act (2014)	Chapter 28
62.	Uniform Prudent Investor Act (1994)	Chapter 554C
63.	Uniform Prudent Management of Institutional Funds Act (2006)	Chapter 517E
64.	Uniform Real Property Electronic Recording Act (2004) (2005)	Part XII, Chapter 502
65.	Uniform Real Property Transfer on Death Act (2009)	Chapter 527
66.	Uniform Reciprocal Enforcement of Support Act (1950)(1958)(1968)	Chapter 576 (Repealed 1997)
67.	Model Registered Agents Act (2006)	Chapter 425R
68.	Uniform Rendition of Accused Persons (Superseded 1980)	Chapter 833

# ACT (Date of ULC Adoption or Amendment)

### **HAWAII REVISED STATUTES**

69.	Uniform Residential Landlord and Tenant Act (1972)	Chapter 521
70.	Uniform Securities Act (1956)(1958) (Superseded 1985)	Chapter 485
71.	Uniform Status of Convicted Persons Act (1964)	Chapter 831
72.	Uniform Statutory Rule Against Perpetuities Act (1986)(1990)	Chapter 525
73.	Uniform Testamentary Additions to Trusts Act (1960)(1961) (Uniform Probate Code § 2-511 (1991))	§ 560:2-511
74.	Uniform Trade Secrets Act (1979)(1985)	Chapter 482B
75.	Uniform Transfer-on-Death (TOD) Security Registration Act (1998)	Chapter 539
76.	Uniform Transfers to Minors Act (1983)(1986)	Chapter 553A
77.	Uniform Trustees' Powers Act (1964)	Chapter 554A
78.	Uniform Unclaimed Property Act (1981) (1995)	Part I, Chapter 523A
79.	Uniform Unincorporated Nonprofit Association Act (1992)(1996)	Chapter 429