

# Wisconsin's Role in the Uniform Law Commission

**Aaron Gary** 

senior legislative attorney



© 2018 Wisconsin Legislative Reference Bureau One East Main Street, Suite 200, Madison, Wisconsin 53703 http://legis.wisconsin.gov/lrb • 608-504-5801

This work is licensed under the Creative Commons Attribution 4.0 International License. To view a copy of this license, visit http://creativecommons.org/licenses/by/4.0/ or send a letter to Creative Commons, PO Box 1866, Mountain View, CA 94042, USA.

### Introduction

The Uniform Law Commission<sup>1</sup> (ULC), composed of state delegations and financially supported by the states, crafts legislation for potential enactment by state legislatures. The mission of the ULC is to create uniformity among the states in areas of law in which uniformity is desirable and practicable,<sup>2</sup> such as those involving cross-border business transactions or the dissolution of marriages with spouses living in different states. To this end, ULC Commissioners research and draft proposed legislation and the ULC, through deliberative, formal proceedings resembling those of state legislatures, votes to adopt drafted proposals as "final acts" ready for state consideration. The ULC describes its work as providing states with "non-partisan, well-conceived and well-drafted legislation that brings clarity and stability to critical areas of state statutory law."3 The quintessential uniform law is the Uniform Commercial Code, developed to facilitate multistate commercial transactions by applying uniform rules for all of the transaction's participants, wherever located. Each year at its annual meeting the ULC adopts a number of uniform acts that become templates for consideration and enactment by state legislatures.

### History and purpose of the ULC

The ULC was organized in 1892 and held its first meeting that year in Saratoga, New York, immediately prior to the annual meeting of the American Bar Association. At its inception in 1892, the ULC consisted of 12 members representing seven states. In 1893, representatives from Wisconsin and several other states joined the ULC, bringing state participation to 20 states within the first year. In that year, Milwaukee hosted the ULC annual meeting. By 1912, all states had joined the ULC. The ULC has met every year since 1892 except in 1945, when wartime travel restrictions were imposed.<sup>4</sup> During this period, the ULC has authored and adopted more than 300 uniform and model acts.<sup>5</sup> According

<sup>1.</sup> For many years, the Uniform Law Commission was known as the National Conference of Commissioners on Uniform State Laws, frequently referred to by the acronym NCCUSL. This remains an official name for the Commission but in 2007 the Commission adopted the more user-friendly alternative name of the Uniform Law Commission. See ULC Const. art. 1, § 1.1; Robert A. Stein, Forming A More Perfect Union: A History of the Uniform Law Commission (Matthew Bender & Company, Inc., 2013), 7, 20, 143. Minor changes in the name of the organization, founded as the Conference of Commissioners on Uniform State Laws, have occurred over time. See Stein, Forming, 1, 10, 20, 24.

<sup>2.</sup> ULC Const. art. 1, § 1.2.

<sup>3. &</sup>quot;About Us" (ULC website), http://www.uniformlaws.org/Narrative.aspx?title=About the ULC (last visited August 15, 2018). See also, "New Project Proposals" (ULC website), http://www.uniformlaws.org/Narrative.aspx?title=New Project Proposals (last visited August 15, 2018) ("The ULC generally avoids subjects that are of purely local concern or which are unlikely to be widely enacted because of political differences among the states..." and "strives to produce balanced, enactable legislation..."). As a general rule, the ULC attempts to avoid consideration of subjects that are politically controversial. "Criteria for New Projects" (ULC website), http://www.uniformlaws.org/Narrative.aspx?title=Criteria for New Projects (last visited August 15, 2018).

<sup>4.</sup> See Stein, Forming, 1, 7, 9, 11, 21, 67, 200, 221.

<sup>5. &</sup>quot;Frequently Asked Questions—What is the Uniform Law Commission?" (ULC website), http://www.uniformlaws.org/ Narrative.aspx?title=Frequently Asked Questions (last visited August 15, 2018). See note 40 for a description of the differences between a uniform act and a model act.

to ULC records, Wisconsin enacted 135 uniform or model acts between 1893 and 2012,6 and enacted an additional ten uniform acts or amendments between 2013 and 2018.

The ULC founders were strong advocates of federalism and of state authority under the Tenth Amendment,<sup>7</sup> but also recognized that states were hampered in certain respects by inconsistency among various states' laws. The ULC founders were concerned that impediments caused by inconsistency in the laws among the states would lead to enactment of federal legislation intended to create uniformity, and this federal legislation would be forced upon the states, be interpreted by federal courts, and preempt state efforts at self-determination. The ULC founders considered it better to be proactive and urge the states to act cooperatively to enact uniform state legislation, which would then be interpreted by state courts and alleviate any need for federal interference.<sup>8</sup> This is still the mission of the ULC, "to promote uniformity of law among the states, and to support and protect the federal system of government by seeking an appropriate balance between federal and state law."<sup>9</sup>

Two of the predominant concerns of the ULC members in the early years, which continue to this day, were interstate commerce and family law. When goods or people cross state lines, a lack of uniformity in law between the involved states may create significant legal complications. "The law governing a transaction should not change as the transaction moves across state lines." One of the ULC's first major successes was the Uniform Negotiable Instruments Law, adopted in 1896 and the first uniform act to be enacted in every state. Other significant acts adopted in the early years were the Uniform Divorce Procedure Act in 1900, the Uniform Law of Sales in 1906, and the Uniform Stock Transfers Act in 1909. Recognizing the interstate implications of business entity formation, the ULC began working on a Uniform Partnership Act in 1902, finally adopting the act in 1914 after significant policy debate. The Uniform Partnership Act, adopted in every state except Louisiana, is considered to be one of the ULC's most successful efforts. It was quickly followed by the Uniform Limited Partnership Act in 1916, which was also adopted in almost every state.

A uniform code is more expansive than a uniform act, and usually involves compre-

<sup>6.</sup> See Stein, Forming, Appendix D, 258.

<sup>7.</sup> Federalism is the idea that the federal government must coexist with state governments, with an appropriate balance or division of authority between the two. The Tenth Amendment to the U.S. Constitution carries out this concept by reserving to the states all powers not delegated to the federal government under the U.S. Constitution or prohibited by it to the states. See Stein, 2–3, 233–34. See also Stein, Foreword by Justice Sandra Day O'Connor, ix–xi.

<sup>8.</sup> See Stein, 2-3, 64, 149. See also Stein, Foreword by Justice Sandra Day O'Connor, ix-xi.

<sup>9.</sup> See Stein, Foreword by Justice Sandra Day O'Connor, x-xi. See also Stein, 233-34; Stein, 141-42 (quoting speech of Justice Ginsburg in 2003 addressing the issue of federalism and the importance of the ULC's work).

<sup>10.</sup> See Stein, 234.

<sup>11.</sup> See Stein, 9.

<sup>12.</sup> See Stein, 22-23, 78.

<sup>13.</sup> See Stein, 22-23, 37-42.

hensively addressing a topic or combining uniform acts having common subject matter or themes. In 1926, the ULC approved the Uniform Motor Vehicle Code, a template for licensing drivers and registering motor vehicles.<sup>14</sup> In 1940, the ULC began the Uniform Commercial Code (UCC) project, with a goal of harmonizing and updating various prior acts and also adding new components relating to commercial transactions. The project took a decade to complete and is commonly considered the ULC's greatest accomplishment. At the time, the ULC President referred to the UCC as the most important and far-reaching project the ULC had ever undertaken.15 The UCC, "the crown jewel of the Uniform Law Commission," was approved in 1951. Eventually every state adopted the UCC or some portion of it, although the original drafters found the extent of state modification of the uniform provisions troubling. 16 The success of the UCC served as a deterrent to federal legislation governing interstate commercial transactions.<sup>17</sup>

In the area of family law, some of the ULC's most important work has addressed the legal complications that arise with custody and support orders when a child's parents reside in different states. In 1950, the Uniform Reciprocal Enforcement of Support Act was approved by the ULC, and, by 1957, was enacted (or substantially similar legislation was enacted) in every state.18 The act established legal procedures when a parent fled to another state to avoid paying child support. A replacement act, the Uniform Interstate Family Support Act, was approved in 1996 and this act or a later version of it has been enacted in every state.<sup>19</sup> The ULC approved the Uniform Child Custody Jurisdiction Act (UCCJA) in 1968, which addressed legal problems relating to interstate custody disputes, including noncustodial parents abducting children and transporting them to a state where they may get a more favorable child custody determination (known variously as parental abduction, parental kidnapping, or child snatching). The UCCJA, enacted in every state, was described by one ULC President as one of the ULC's most successful accomplishments.<sup>20</sup> The replacement for the UCCJA, the Uniform Child Custody Jurisdiction and Enforcement Act, was approved in 1997 and has been enacted in every state except one, although with significant modifications in some states.<sup>21</sup>

The more than 300 uniform acts produced by the ULC cover a wide range of legal topics. In addition to commercial law and family and domestic relations law, uniform acts cover such topics as estates, probate and trusts, real estate, alternate dispute resolu-

<sup>14.</sup> See Stein, 31.

<sup>15.</sup> See Stein, 64-65, 67, 70, 78, 81, 82, 84-85.

<sup>16.</sup> See Stein, 71, 87-89.

<sup>17.</sup> See Stein, 94.

<sup>18.</sup> See Stein, 70, 155-58.

<sup>19.</sup> See Stein, 138-39, 159-60.

<sup>20.</sup> See Stein, 101, 161-62.

<sup>21.</sup> See Stein, 138-139, 162-63.

tion, anatomical gifts, trade secrets, securities, and electronic transactions.<sup>22</sup> Not all ULC drafting efforts have met with universal applause. In 1962, the ULC began working on a Uniform Probate Code (UPC), a major undertaking that was not approved until 1969.<sup>23</sup> Probate administration is the process by which the affairs of a decedent are settled and property distributed. The ULC determined that uniformity of probate law is desirable because, if a person plans his or her estate in one state and then moves to another state for employment, retirement, or any other reason, the person's estate-planning intent should be effectuated regardless of where the death occurs.<sup>24</sup> The UPC, a comprehensive probate administration law that includes such topics as intestate succession, wills, nonprobate transfers, and trust administration, was not met enthusiastically by many states and fewer than one-half of the states have adopted the complete UPC.<sup>25</sup> In 2000, the ULC adopted the Uniform Trust Code (UTC), which comprehensively covers the law of trusts and treats a revocable trust as the functional equivalent of a will. Approximately two-thirds of the states have enacted the UTC.<sup>26</sup> The Uniform Marital Property Act, which established a state community property law giving both spouses joint and equal ownership of marital property, was approved in 1983. Wisconsin was the only state to enact this uniform act, which was subsequently redesignated as a model act.<sup>27</sup> Some acts are revised or updated or wholly replaced; some acts, like the Uniform Flag Act, are entirely withdrawn.<sup>28</sup> No state enacted the Uniform Statute of Limitations Act (1937) or revised Articles 2 and 2A (2002) of the UCC, which, after eight years and no enactments as well as industry opposition, the ULC withdrew in 2011.<sup>29</sup>

### How the ULC is organized

The ULC is comprised of members known as Commissioners. Each state may determine the number of Commissioners from the state, their method of appointment, and the length of their terms. However, Commissioners must be attorneys who are members of their state's bar association.<sup>30</sup> The more than 300 Commissioners of the ULC in-

<sup>22. &</sup>quot;Frequently Asked Questions—What Kinds of Legal Issues Does the ULC Address?" (ULC website), http://www.uniformlaws.org/Narrative.aspx?title=Frequently Asked Questions (last visited August 15, 2018).

<sup>23.</sup> See Stein, Forming, 97-99, 101.

<sup>24.</sup> See Stein, 119-22.

<sup>25.</sup> See Stein, 122, 126. See also "Legislative Fact Sheet—Probate Code" (ULC website), http://www.uniformlaws.org/LegislativeFactSheet.aspx?title=Probate Code (last visited August 15, 2018).

<sup>26.</sup> See Stein, 128-130. See also "Legislative Fact Sheet—Trust Code" (ULC website), http://www.uniformlaws.org/LegislativeFactSheet.aspx?title=Trust Code (last visited August 15, 2018).

<sup>27.</sup> See Stein, 111, 172-73.

<sup>28.</sup> See Stein, 26, 31.

<sup>29.</sup> See Stein, 71, 140.

<sup>30.</sup> ULC Const. art. 2, § 2.1, 2.2, 2.5. See also Stein, 148, 221; "Frequently Asked Questions—How are Uniform Law Commissioners Appointed?" (ULC website), http://www.uniformlaws.org/Narrative.aspx?title=Frequently Asked Questions (last visited August 15, 2018); "Organization" (ULC website), http://www.uniformlaws.org/Narrative.aspx?title=About the ULC (last visited August 15, 2018). Under the ULC Constitution, a "state" includes not only the 50 states but also the District of Co-

clude practicing attorneys, judges, legislators and legislative staff, and law professors. Past Commissioners have included such legal luminaries as U.S. Supreme Court Justices Louis Brandeis, Wiley Rutledge, William Rehnquist, and David Souter; Professors Samuel Williston, Karl Llewellyn, William Prosser, and Roscoe Pound; and U.S. President Woodrow Wilson.<sup>31</sup> The Commissioners appointed by each state are referred to as that state's delegation to the ULC. Under certain circumstances, but most commonly after serving as an appointed Commissioner for at least 20 years, a ULC Commissioner may be elected by the ULC as a Life Member and thereby remain a ULC member even after the Commissioner's state appointment expires.<sup>32</sup> Commissioners and Life Members volunteer their time and expertise to the ULC and are not compensated for their work.<sup>33</sup>

The President of the ULC, who must be a Commissioner, is the ULC's chief executive officer and the presiding officer at ULC meetings. The President is elected by vote of the other Commissioners for a two-year term. The President, together with certain ULC officers and others, constitute the ULC's Executive Committee, which has broad oversight authority.<sup>34</sup> The ULC employs a paid staff, supervised by an Executive Director appointed by the Executive Committee, to carry out daily ULC activities at the ULC executive offices in Chicago.35 However, core functions of the ULC are largely accomplished through the work of various committees composed of unpaid Commissioners and Life Members, as discussed in detail below.

The Wisconsin delegation to the ULC, established under section 13.55, Wisconsin Statutes, as the Wisconsin Commission on Uniform State Laws (WisCUSL or commission), is charged with responsibility for advising the legislature on uniform laws and model laws.<sup>36</sup> WisCUSL consists of the following members: 1) the Director of the Legislative Council Staff or his or her designee; 2) the Chief of the Legislative Reference Bureau or his or her designee; 3) two senators and two representatives to the assembly (one from each major political party), appointed as are members of standing committees for two-year terms; and 4) two public members, appointed by the governor for four-year terms. With regard to appointment of legislative members (item 3, above), if no senator

lumbia, Puerto Rico, and the U.S. Virgin Islands. ULC Const. art. 9, § 9.1. See also "Frequently Asked Questions—What is the Uniform Law Commission?" (ULC website), http://www.uniformlaws.org/Narrative.aspx?title=Frequently Asked Questions (last visited August 15, 2018). The requirement that Commissioners be attorneys was first imposed in 1961 by an amendment to the ULC Constitution and Bylaws. See Stein, 97.

<sup>31. &</sup>quot;About Us" (ULC website), http://www.uniformlaws.org/Narrative.aspx?title=About the ULC (last visited August 15, 2018); Stein, 78, 85, 104, 221, 226-28.

<sup>32.</sup> ULC Const. art. 2, § 2.4.

<sup>33.</sup> ULC Const. art. 2, § 2.11. See also "Frequently Asked Questions—How are Uniform Law Commissioners Appointed?" (ULC website), http://www.uniformlaws.org/Narrative.aspx?title=Frequently Asked Questions (last visited August 15, 2018); Stein, Forming, 67, 221. See also Stein, Foreword by Justice Sandra Day O'Connor, x.

<sup>34.</sup> ULC Const. art.4, § 4.1, 4.3.

<sup>35.</sup> ULC Bylaws art. 24, § 24.1, and art. 25, § 25.1, 25.2.

<sup>36.</sup> Wis. Stat. § 13.55 (1) (a) 1.

or representative who is an attorney<sup>37</sup> is willing or able to serve on the commission, the legislature may appoint a former senator or representative who previously served on the commission while a senator or representative or, if there are none willing or able to serve, may appoint any attorney in this state to the commission. In addition, the eight commission members described above may appoint as additional commission members, for four-year terms, persons who are ULC Life Members from Wisconsin.

As of August 2018, the members of WisCUSL, and accordingly the Wisconsin Commissioners to the ULC, are the following individuals: former Senator Joanne B. Huelsman (Senate-Majority), *Chairperson*; Senator Fred Risser (Senate-Minority); Representative Ron Tusler (Assembly-Majority); Representative Daniel Riemer (Assembly-Minority); Justice Annette Kingsland Ziegler (Public Member); David Zvenyach (Public Member); Margit Kelley (Legislative Council Staff); and Aaron Gary (Legislative Reference Bureau), *Secretary*. As of August 2018, the following individuals are ULC Life Members from the Wisconsin delegation: Lawrence J. Bugge; former Representative David Cullen; Peter J. Dykman; Shaun P. Hass; former Senator Joanne Huelsman; and former Justice David T. Prosser, Jr. 38 As of August 2018, the eight WisCUSL members identified above had not appointed any ULC Life Members as additional members of WisCUSL. 39

### Process and proceedings of the ULC

The work of the ULC begins with a solicitation of ideas for new projects, which may include the development of new uniform acts or model acts<sup>40</sup> or revising or amending existing acts. Twice each year the ULC Committee on Scope and Program solicits proposals for new study and drafting projects, which are then evaluated according to criteria established by the ULC.<sup>41</sup> The purpose of the Committee on Scope and Program is to recommend to the Executive Committee the work the ULC should undertake and the

<sup>37.</sup> Because WisCUSL serves as the state's delegation to the ULC and the ULC requires all Commissioners to be attorneys, only attorneys who are members of the State Bar of Wisconsin are appointed to WisCUSL.

<sup>38.</sup> For a list of the ULC Commissioners and Life Members from Wisconsin from 1893 to 2012, see Stein, *Forming*, Appendix G, 339–40. Commissioners are also listed, for each legislative session, in the *Wisconsin Blue Book*, published by the LRB, with an index listing under "Uniform State Laws, Commission on."

<sup>39.</sup> The authority to appoint ULC Life Members as additional members of WisCUSL was created in 2017 Wisconsin Act 200, which became effective on April 5, 2018. This act also made changes to the eligibility criteria for appointment of legislative members of WisCUSL.

<sup>40.</sup> The ULC describes the difference between a uniform act and a model act as follows. For a uniform act, the principal objective is enactment of all of the act's provisions, in a form that is identical or bears a high level of uniformity, in a large number of states. For a model act, the objective may be accomplished through enactment of only parts of the act, or with greater variation in the text of the act, or in a more limited number of states. "Frequently Asked Questions—What is a Uniform State Law?" (ULC website), http://www.uniformlaws.org/Narrative.aspx?title=Frequently Asked Questions (last visited August 15, 2018); "Criteria for New Projects" (ULC website), http://www.uniformlaws.org/Narrative.aspx?title=Criteria for New Projects (last visited August 15, 2018); "ULC Drafting Process" (ULC website), http://www.uniformlaws.org/Narrative.aspx?title=ULC Drafting Process (last visited August 15, 2018).

<sup>41. &</sup>quot;New Project Proposals" (ULC website), http://www.uniformlaws.org/Narrative.aspx?title=New Project Proposals (last visited August 15, 2018). See also "Criteria for New Projects" (ULC website), http://www.uniformlaws.org/Narrative.aspx?title=Criteria for New Projects (last visited August 15, 2018).

general plan and scope of its activities. 42 Proposals for new projects may be submitted by ULC Commissioners or by outside groups such as state bar associations, governmental entities, or industry groups. In investigating the merits of any proposal, the Committee on Scope and Program may assign the proposal to a Study Committee, which researches the topic and decides whether to recommend that an act be drafted. A Study Committee may also use stakeholder meetings to gauge support for or opposition to a proposed act. The Committee on Scope and Program reviews all Study Committee recommendations and then reports to the Executive Committee its own conclusions as to whether a subject is one in which it is desirable and feasible to proceed with drafting an act.

If the Executive Committee approves a recommendation to proceed with drafting an act, a ULC Drafting Committee for the act is created. (The Executive Committee may also refer a proposal directly to a Study Committee.) Each Drafting Committee includes a "reporter," who is an expert in the field of law (usually a law professor) hired to be the primary drafter of the act's text, along with Commissioners or Life Members from various states. One Commissioner serves as the chairperson of the Drafting Committee, and the Drafting Committee also includes at least one advisor from the American Bar Association (ABA). The drafting meetings are open to the public and interested groups are invited to send representatives, known as "observers," to participate in the drafting meetings. This allows affected industry members and other stakeholders to have a voice in the drafting process. The Drafting Committee usually meets in person, for a long weekend, two or three times during the year to prepare the proposed act. The development of a uniform or model act generally requires a minimum of one year of study and two years of drafting meetings. During the drafting process, the Drafting Committee also works with the ULC Committee on Style, which is responsible for incorporating appropriate terminology, grammar, and style in the draft act without altering the meaning or context of the language provided by the Drafting Committee.<sup>43</sup>

Each summer the ULC holds its annual meeting at which Commissioners from all states attend and, seated by state delegation, consider the acts being drafted. With exceptions, an act must be considered at two annual meetings before it may be approved. When a Drafting Committee has sufficiently completed its work on a proposed act, the Drafting Committee gives the act a line-by-line first reading to all Commissioners (sitting as a Committee of the Whole) at the ULC annual meeting. Before the proposed act

<sup>42. &</sup>quot;Types of Committees" (ULC website), http://www.uniformlaws.org/Narrative.aspx?title=Types of Committees (last visited August 15, 2018).

<sup>43.</sup> ULC Const. art. 2, § 2.1, 2.4, 2.9; art. 4, § 4.4; art. 5, § 5.1, 5.2; Stein, Forming, 144, 201-02, 204-05, 210, 213; "Frequently Asked Questions—How Are Subjects for New Acts Selected?" (ULC website), http://www.uniformlaws.org/Narrative. aspx?title=Frequently Asked Questions (last visited August 15, 2018); "ULC Drafting Process" (ULC website), http://www. uniformlaws.org/Narrative.aspx?title=ULC Drafting Process (last visited August 15, 2018); "Types of Committees" (ULC website), http://www.uniformlaws.org/Narrative.aspx?title=Types of Committees (last visited August 15, 2018); "Criteria for New Projects" (ULC website), http://www.uniformlaws.org/Narrative.aspx?title=Criteria for New Projects (last visited August 15, 2018).

may be read a first time at the annual meeting, certain requirements must be met, including that the proposed act has numbered lines, includes official comments, and has been reviewed by the Committee on Style. During each reading at the annual meeting, there is floor debate on the act, questions may be posed to the Drafting Committee, changes may be recommended, and motions may be made. During the second reading of the act, Commissioners have the opportunity to offer amendments to the act, which are adopted upon an affirmative vote of a majority of Commissioners voting. Consideration of each proposed act is a deliberative process and it is customary for acts to be significantly modified as a result of the review and debate before the Committee of the Whole.

After the first reading of an act, the Drafting Committee usually spends the following year making changes to the act to incorporate comments or concerns expressed during the act's first reading. When the act is read again at a subsequent annual meeting, the act has usually been modified to reflect the prior meeting's debate. At the conclusion of the reading at the second annual meeting at which the act is considered, the Committee of the Whole may vote to recommend that the act be approved and presented for a vote of the states. Near the conclusion of each annual meeting, when final acts approved by the Committee of the Whole are put to a vote of the states, each state has one vote and the Commissioners from each state must act collectively to vote in favor of or against adoption of the final act. (If Commissioners of the state are evenly split for and against, the state may not vote.) Final approval of an act requires the affirmative vote of a majority of the states present at the annual meeting, but no less than 20 states. Even after an act is finally approved by a vote of the states at an annual meeting, the act may be modified, within limited parameters, by the Committee on Style or by the Executive Committee.<sup>44</sup> In addition, after ULC approval of a final act, it is customary for the act to be referred to the ABA, where the act may also be approved by the ABA House of Delegates. The ABA's imprimatur does not affect the validity of the final act, but might be a factor considered by state legislatures as they determine whether to enact the legislation in their state. While it is common for the ABA to approve ULC final acts, there have been numerous occasions in which the ABA has declined to do so and, on some of these occasions, the ULC's final act was subsequently modified to gain ABA approval.<sup>45</sup>

<sup>44.</sup> ULC Const. art. 3, § 3.1; art. 4, § 4.3; art. 5, §5.1; art. 8, § 8.1, 8.2; ULC Bylaws art. 28, § 28.4; ULC Rules of Procedure For Meetings of the National Conference art. 41, § 41.2; art. 44, § 44.1; art. 44A, § 44A.1; art. 45, § 45.2; art. 47, § 47.1, 47.8. See also "ULC Drafting Process" (ULC website), http://www.uniformlaws.org/Narrative.aspx?title=ULC Drafting Process (last visited August 15, 2018); "Frequently Asked Questions—How is an Act Drafted?, How Does an Act Receive Final ULC Approval?" (ULC website), http://www.uniformlaws.org/Narrative.aspx?title=Frequently Asked Questions (last visited August 15, 2018); "ULC Drafting Process" (ULC website), http://www.uniformlaws.org/Narrative.aspx?title=ULC Drafting Process (last visited August 15, 2018); "Types of Committees" (ULC website), http://www.uniformlaws.org/Narrative.aspx?title=Types of Committees (last visited August 15, 2018).

<sup>45.</sup> See Stein, *Forming*, 210–213. The ABA House of Delegates declined to approve the Uniform Marriage and Divorce Act in 1971 but approved the act in 1974 after the ULC made several amendments to it. The ABA House of Delegates declined to approve the Collaborative Law Act in 2010 and, despite ULC amendments to meet ABA objections to the act, again declined to approve the act in 2011. See Stein, 104–106, 145, 168–69. In February 2018, the ABA House of Delegates approved all five uniform acts approved by the ULC at its 2017 annual meeting. (These acts are discussed later in this paper.)

After final approval of an act, the ULC Legislative Committee attempts to secure consideration and enactment of the act by state legislatures. In addition, each Commissioner has a duty to seek introduction and enactment of uniform acts appropriate for his or her home state. He ULC staff in the ULC's executive office in Chicago is actively engaged in promoting final acts and, upon request, will often provide testimony or other support for legislators interested in advancing legislation at the state level. The ULC posts a significant amount of act information on the ULC website and keeps a tally, by state, of all enactments. In assessing whether state legislation qualifies as a uniform act, ULC staff or members of an act's Drafting Committee assess whether a state enactment is virtually identical or substantially similar to the uniform act.

As stated previously, ULC Commissioners volunteer their time and expertise and do not receive compensation for their services. Although a Commissioner's attendance at each annual meeting is required (unless the absence is excused by the Executive Committee), the ULC provides no funding to Commissioners for expenses involved in attending the annual meeting. Instead, the ULC's Constitution directs Commissioners to seek funding for such expenses from the states they represent, along with additional funding to defray the expenses of ULC operations. However, the ULC does provide reimbursement for travel and other expenses incurred for certain committee activities, such as expenses arising from travel to Drafting Committee meetings.<sup>47</sup>

The majority of the ULC's funding is provided by state legislatures. In addition, the ULC receives revenue from publishers who use uniform acts and other ULC-copyrighted materials. Specific ULC projects benefit from grants made by foundations, federal agencies, or others with an interest in project completion. For example, hundreds of thousands of dollars were provided in the 1940s to complete the UCC project, and copyright revenues from that project have provided a stream of income since. In addition, in 1990, the Uniform Law Foundation was created to receive charitable contributions that provide additional funding for the work of the ULC.<sup>48</sup> Wisconsin's contribution to the cost of operating the ULC is made through the legislature's appropriation under section 20.765 (3) (fa), Wisconsin Statutes.

<sup>46.</sup> ULC Const. art. 5, § 5.1; art. 6, § 6.1; ULC Bylaws art. 27, § 27.1. See also "ULC Drafting Process" (ULC website), http://www.uniformlaws.org/Narrative.aspx?title=ULC Drafting Process (last visited August 15, 2018); "Criteria for New Projects" (ULC website), http://www.uniformlaws.org/Narrative.aspx?title=Criteria for New Projects (last visited August 15, 2018) ("Approval of an act as a uniform act carries with it the obligation of the commissioners from each state to endeavor to procure consideration by the legislature of the state, unless the commissioners consider the act inappropriate for enactment in their state.").

<sup>47.</sup> ULC Const. art. 6, § 6.1; ULC Bylaws art. 26, § 26.1; art. 28, § 28.2. See also "Types of Committees" (ULC website), http://www.uniformlaws.org/Narrative.aspx?title=Types of Committees (last visited August 15, 2018).

<sup>48. &</sup>quot;Frequently Asked Questions—How is the ULC Funded?" (ULC website), http://www.uniformlaws.org/Narrative.aspx?title=Frequently Asked Questions (last visited August 15, 2018); ULC Annual Report 2016/2017, 9–10, <a href="http://www.uniformlaws.org/Shared/Publications/AnnRpt\_2017web.pdf">http://www.uniformlaws.org/Shared/Publications/AnnRpt\_2017web.pdf</a> (last visited August 15, 2018); Stein, Forming, 65, 67, 82, 113–14, 137, 143, 204; Uniform Law Foundation website, home page, <a href="http://www.uniformlawfoundation.org/home">http://www.uniformlawfoundation.org/home</a> (last visited August 15, 2018).

### The role of the Wisconsin delegation to the ULC

Wisconsin has played an important role in the ULC. The ULC annual meeting was held in Milwaukee in 1893, 1912, 1934, and 1990, and will be held in Madison in 2020. Wisconsin Commissioner Lawrence J. Bugge served as the ULC President from 1989 to 1991.<sup>49</sup>

Wisconsin's delegation to the ULC, WisCUSL, must meet at least once every two years and must: 1) examine subjects on which uniformity of legislation is desirable; 2) ascertain the best methods to effect uniformity; 3) cooperate with Commissioners in other states in the preparation of uniform acts; and 4) prepare bills adapting uniform acts to the Wisconsin statutes for introduction in the legislature.<sup>50</sup> WisCUSL must also make a biennial report to the Joint Legislative Council's Law Revision Committee.<sup>51</sup> It has been the practice of WisCUSL to hold a winter meeting in Madison each year to discuss: 1) the final acts adopted at the most recent ULC annual meeting; 2) a legislative agenda for the current or upcoming legislative session; 3) the status of any other uniform acts being considered by the legislature; and 4) plans for the next ULC annual meeting. The members of WisCUSL work closely with the State Bar of Wisconsin in assessing the impact and suitability of enacting uniform acts in Wisconsin. It is customary for WisCUSL to refer new final acts to the State Bar for review and comment by practice section members who have expertise and experience in the applicable area of law covered by the act. The members of WisCUSL may also ask representatives of the court system or administrative agencies to review and comment on acts that affect the judicial system or executive branch functions. Typically, WisCUSL will not proceed to advance uniform acts before receiving input from attorney practitioners in the state with expertise in the affected area and from affected agencies. By tradition, WisCUSL also does not attempt to advance uniform acts or model acts that are perceived to be politically controversial, that embody policy objectives that are inconsistent with recently enacted legislation, or that involve significant state expense with no new funding source.

After appropriate review, if a uniform act or model act appears desirable for Wisconsin, one of the legislative members of WisCUSL will arrange to have the act drafted by the Legislative Reference Bureau (LRB), or other members of WisCUSL will arrange with a legislator, agency, or other person with drafting privileges to have the act drafted by the LRB. Preparing a uniform act for introduction in Wisconsin involves: 1) making technical changes to conform to this state's drafting and statutory conventions; 2) reconciling the provisions of the uniform act with existing law, which may require repealing or amending existing statutes or otherwise harmonizing the act with existing law; and 3) correcting or clarifying portions of the uniform act. An analysis by the LRB also de-

<sup>49.</sup> See Stein, 205, Appendix A, 248, and Appendix B, 251-53.

<sup>50.</sup> Wis. Stat. § 13.55 (3).

<sup>51.</sup> Wis. Stat. § 13.55 (4).

scribes the legal impact of the uniform act. After the uniform act is drafted as a Wisconsin bill, it may be evaluated and, if appropriate, introduced. It then proceeds through the legislative process like any other legislation being considered by the legislature and, as such, is subject to amendment as the legislature sees fit.

The careful examination given uniform acts by WisCUSL takes time, particularly when the acts are reviewed by volunteer attorneys of the State Bar practice sections with expertise in the act's subject matter. At times, the ULC adopts a uniform or model act that is so topical and important that it generates immediate attention from policy makers or interested parties who contact policy makers. Occasionally legislators or agencies have uniform acts drafted and introduced before WisCUSL has completed its evaluation process. In fact, some issues are of such interest that the legislature acts even before the ULC has completed its drafting process for a uniform act.<sup>52</sup>

It is common for uniform acts to be modified, sometimes significantly, during the legislative process in Wisconsin. On many occasions, State Bar committees with expertise in the field not only review the uniform acts at the outset but also request changes to the acts, which are often incorporated when the act is drafted for introduction. Even after the act is drafted and introduced as a bill, it is common for amendments to the bill to make nonuniform changes, such as a change to retain an exception under existing law that is not recognized under the uniform act. While it is the policy of the ULC that maintaining uniformity among states is a critical component of a uniform act, the practical reality is that sometimes deviations from the uniform provisions must be made to accommodate the particular needs of this state and to secure enactment of the legislation. While uniformity is always sought, it is not unusual in Wisconsin for there to be modifications to reflect state policy objectives or to retain existing practices of attorneys or administering agencies. Often the modifications are minor, but at times they are so pervasive that the legislation may no longer be considered to be an enactment of the uniform act.

### Final acts recently approved by the ULC

At its four most recent annual meetings, the ULC has approved a total of 27 final acts. These acts are briefly discussed below.

#### 2015—Williamsburg

At the 2015 ULC annual meeting in Williamsburg, Virginia, the following seven uniform acts were considered and approved:<sup>53</sup>

<sup>52.</sup> For example, the Uniform Limited Liability Company Act was approved by the ULC after Wisconsin had already enacted legislation authorizing the formation of LLCs under Wisconsin law.

<sup>53.</sup> The following descriptions of final acts approved at the 2015 annual meeting in Williamsburg are derived primarily from descriptions in ULC Annual Report 2014/2015, 6–9, <a href="http://www.uniformlaws.org/Shared/Publications/AnnRpt\_2015web.pdf">http://www.uniformlaws.org/Shared/Publications/AnnRpt\_2015web.pdf</a> (last visited August 15, 2018). See also ULC Quarterly Report, Issue 20, December 2015.

- 1. Revised Uniform Athlete Agents Act: The Uniform Athlete Agents Act was approved by the ULC in 2000 and has been enacted in more than 40 states, including Wisconsin.<sup>54</sup> Originally requested by the National Collegiate Athletic Association,<sup>55</sup> the original act provided a framework for athlete agents who recruit student athletes for professional sports careers, including requiring: registration for sports agents who represent student athletes; certain terms in agent contracts with student athletes; and notice to a student's educational institution when the student becomes represented by an agent. The Revised Uniform Athlete Agents Act makes changes relating to protections for student athletes and educational institutions, allows for reciprocal agent registration information between states, and adds new requirements to the signing of an agency contract.
- 2. Uniform Commercial Real Estate Receivership Act: This act provides uniform procedures for receiverships involving commercial property. A receivership is the process by which a court appoints one person to take possession of another person's property to manage or dispose of it, which often occurs after a business insolvency or default on a commercial real estate loan. These procedures involve such matters as appointment of a receiver, the receiver's authority over receivership property, and other duties of the receiver and the property owner.
- 3. Revised Uniform Fiduciary Access to Digital Assets Act: This act allows Internet users to plan for the management and disposition of electronically stored property and electronic communications (digital assets) stored on the servers of social media sites and Internet service providers (custodians) if the user dies or becomes incapacitated, similar to the way the user can plan for and dispose of his or her tangible property. The act allows fiduciaries to manage digital assets like social media accounts, computer files, and virtual currency, but restricts access to electronic communications like email, text messages, and social media accounts unless the user consented to access. The act is designed to work in conjunction with state laws on probate, guardianship, trusts, and powers of attorney.<sup>56</sup>
- 4. Uniform Home Foreclosure Procedures Act: This act establishes procedures for residential foreclosure actions involving single-family homes and condominiums. The act requires certain homeowner notice and lender documentation before a foreclosure action can proceed, expedites foreclosure of abandoned property, provides rules for negotiating pre-foreclosure resolutions or nonjudicial transfers, and preempts local ordinances purporting to regulate foreclosure proceedings.
- 5. Uniform Recognition and Enforcement of Canadian Domestic—Violence Protection Orders Act: This act provides for the enforcement in the enacting state of domestic violence protection orders issued by Canadian courts, including uniform procedures for

<sup>54. &</sup>quot;Legislative Fact Sheet—Athlete Agents Act" (ULC website), http://www.uniformlaws.org/LegislativeFactSheet.aspx?title=Athlete Agents Act (last visited August 15, 2018). See also 2003 Wisconsin Act 150.

<sup>55.</sup> See Stein, Forming, 140.

<sup>56.</sup> Wisconsin adopted a modified version of this act in 2015 Wisconsin Act 300.

cross-border enforcement.<sup>57</sup> The act follows upon the Uniform Interstate Enforcement of Domestic Violence Protection Orders Act, approved by the ULC in 2002, which provides for recognition and enforcement of the domestic violence orders of other states.<sup>58</sup>

- 6. **Uniform Residential Landlord Tenant Act:** This act replaces a 1972 act of the same name.<sup>59</sup> The act provides rules governing residential lease arrangements, including provisions relating to the rights, duties, and remedies of landlords and tenants.
- 7. **Uniform Trust Decanting Act:** "Trust decanting" is a term used to describe the distribution of assets from one trust into a second trust, a process that can be used to change the terms of an otherwise irrevocable trust. This act provides a comprehensive set of rules for trust decanting. <sup>60</sup> The act allows a trustee to reform an irrevocable trust document within limits to ensure the trust will achieve the settlor's original intent. The act creates rules tailored to the amount of discretion over distributions the settlor gave to the trustee in the first trust.

#### 2016—Stowe

At the 2016 annual meeting in Stowe, Vermont, the following seven uniform acts or amendments to acts were considered and approved:<sup>61</sup>

- 1. Uniform Employee and Student Online Privacy Protection Act: This act creates restrictions on the ability of an employer, prospective employer, or educational institution to access, or request login information to access, the social media or other password-protected online accounts of an employee, prospective employee, student, or prospective student.<sup>62</sup>
- 2. **Uniform Family Law Arbitration Act:** This act creates comprehensive provisions for the arbitration of family law matters such as spousal support, division of property, child custody, and child support. This act departs from the ULC's Revised Uniform Arbitration Act in areas in which family law arbitration differs from commercial arbitration.
- 3. Revised Uniform Unclaimed Property Act: This act updates an earlier version of the act<sup>63</sup> to modernize provisions relating to the state's disposal of unclaimed property.

<sup>57.</sup> This act was enacted as 2017 Wisconsin Act 181.

<sup>58.</sup> The Uniform Interstate Enforcement of Domestic Violence Protection Orders Act was enacted as 2015 Wisconsin Act 352.

<sup>59.</sup> The 1972 uniform act was not enacted in Wisconsin.

<sup>60.</sup> Wisconsin enacted a modified version of the Uniform Trust Code and the Uniform Principal and Income Act in 2013 Wisconsin Act 92. Act 92 includes some nonuniform provisions relating to trust decanting.

<sup>61.</sup> The following descriptions of final acts approved at the 2016 annual meeting in Stowe are derived primarily from descriptions in ULC Annual Report 2015/2016, 5–6, <a href="http://www.uniformlaws.org/Shared/Publications/AnnRpt\_2016web.pdf">http://www.uniformlaws.org/Shared/Publications/AnnRpt\_2016web.pdf</a> (last visited August 15, 2018).

<sup>62.</sup> Prior to this uniform act, Wisconsin enacted legislation on the same subject in 2013 Wisconsin Act 208. The provisions of Act 208 are broader in some respects, and narrower in other respects, than the provisions of the uniform act. Act 208 was drafted to be similar to Michigan's statute. Michigan's statute was considered, along with the laws of various other states, by the ULC Drafting Committee as it created the uniform act.

<sup>63.</sup> The earlier Uniform Unclaimed Property Act has not been enacted in Wisconsin.

Among the provisions included in the act are those relating to the circumstances under which property is presumed abandoned, the powers and duties of state administrators over unclaimed property, owners' rights to recover unclaimed property from the state, and administrative and judicial review of state administrators' decisions.

- 4. **Uniform Unsworn Domestic Declarations Act:** This act permits unsworn declarations made in the United States under penalty of perjury to be used in state courts. The act follows upon the Uniform Unsworn Foreign Declarations Act, which covers unsworn declarations made outside the United States.<sup>64</sup>
- 5. Uniform Unsworn Declarations Act: This act is an alternative act that combines the Uniform Unsworn Foreign Declarations Act and the Uniform Unsworn Domestic Declarations Act (discussed above).
- 6. Uniform Wage Garnishment Act: This act creates uniformity in the process of wage garnishments. The act applies only to a garnishment by a creditor with a money judgment, referred to as "debt garnishment," and creates for creditors, employers, and employees a standard system for wage garnishments, including specified notice to employees and garnishment calculation forms.
- 7. **Revised Uniform Law on Notarial Acts:** Amendment on Foreign Remote Notarization: This amendment to the Revised Uniform Law on Notarial Acts<sup>65</sup> authorizes notaries public to remotely perform notarial acts in their home state for individuals located in a foreign country using real-time audio and video technology.

#### 2017—San Diego

At the 2017 annual meeting in San Diego, California, the following six uniform or model acts were considered and approved:<sup>66</sup>

1. Uniform Regulation of Virtual-Currency Businesses Act: This act provides a framework for regulating virtual currency business activity, which includes businesses engaged in the exchange of virtual currencies for cash, bank deposits, or other virtual currencies; the transfer of virtual currency between customers; and certain custodial or fiduciary services. The act provides for a graduated regulatory level based on the amount of business activity. Full regulation, including licensing and other requirements, applies to companies with virtual currency business activity of more than \$35,000 annually, and registration is required for companies with virtual currency business activity of at least \$5,000.

<sup>64.</sup> The Uniform Unsworn Foreign Declarations Act was enacted in Wisconsin as 2009 Wisconsin Act 166.

<sup>65.</sup> The Revised Uniform Law on Notarial Acts has not been enacted in Wisconsin. At the 2018 ULC annual meeting (discussed below), the ULC decided to replace this amendment with more comprehensive changes not limited to foreign notarization and accordingly approved an updated revised final act in lieu of this amendment.

<sup>66.</sup> The following descriptions of final acts approved at the 2017 annual meeting in San Diego are derived primarily from descriptions in ULC Annual Report 2016/2017, 5–6, http://www.uniformlaws.org/Shared/Publications/AnnRpt\_2017web.pdf (last visited August 15, 2018).

- 2. Uniform Guardianship, Conservatorship, and Other Protective Arrangements Act:
- This act, which replaces prior guardianship acts, addresses the rights and interests of persons legally determined to need help caring for themselves, meaning minors and adults subject to a guardianship or conservatorship order. The act is intended to foster greater independence for persons under guardianship or conservatorship by allowing courts to impose the least-restrictive orders possible to adequately protect vulnerable minors and adults and to monitor the protective arrangement to continuously adapt to an individual's changing capabilities and needs. The act imposes duties on guardians and conservators charged with protecting others and requires regular monitoring to ensure compliance.<sup>67</sup>
- 3. Uniform Parentage Act: This act, which replaces 2002 and 1973 acts of the same name,<sup>68</sup> provides states with rules for determining parentage of a child. The 2002 act covered topics such as the parent-child relationship, voluntary acknowledgments of paternity and registry of paternity, genetic testing, and proceedings to adjudicate parentage of children of assisted reproduction. This act includes provisions to ensure the equal treatment of children born to same-sex couples; for the establishment of a de facto parent as a legal parent of a child; that preclude establishment of a parent-child relationship by the perpetrator of a sexual assault that resulted in the conception of the child; modernizing surrogacy law; and addressing the right of children born through assisted reproductive technology to access medical and identifying information regarding any gamete providers.
- 4. Uniform Directed Trust Act: This act establishes rules applicable to a directed trust. In a traditional trust, the responsibility for all aspects of the trust's administration belongs to the trustee. In a directed trust, a person other than a trustee has power over some aspect of the trust's administration. In the act, this person is called a "trust director" and the act provides guidelines for the division of authority between a trust director and a trustee. Under the act, if a trust director is given power, the trust director has primary fiduciary responsibility and has the same fiduciary duties as a trustee would have in a like position and under similar circumstances. The act also authorizes a similar allocation of power and duty among cotrustees.<sup>69</sup>
- 5. **Uniform Protected Series Act:** This act allows the formation and operation of a limited liability company (LLC) as a protected series LLC. The act is created to be a component of a state's LLC law, regardless of whether the state has also enacted the Uniform Limited Liability Company Act. 70 All

<sup>67.</sup> Wisconsin has not enacted this uniform act. Of the related acts, Wisconsin has enacted a modified version of the Uniform Adult Guardianship and Protective Proceedings Jurisdiction Act (2007) as 2017 Wisconsin Act 187, but has not enacted the Uniform Guardianship and Protective Proceedings Act (1997).

<sup>68.</sup> Wisconsin has not enacted either the 1973 or 2002 Uniform Parentage Acts.

<sup>69.</sup> Wisconsin enacted a modified version of the Uniform Trust Code and the Uniform Principal and Income Act in 2013 Wisconsin Act 92. Act 92 includes some nonuniform provisions relating to directed trusts.

<sup>70.</sup> Wisconsin enacted an LLC law under chapter 183, Wisconsin Statutes, but has not enacted the original or revised uniform LLC acts. Although drafts of the Uniform Limited Liability Company Act were being circulated at the time, Wisconsin attorneys working on the project determined that it was preferable to model Wisconsin's new LLC law on the ABA prototype LLC law and parallel provisions of Wisconsin's then-existing corporation, partnership, and limited partnership law. See Joseph

LLCs are governed by a "vertical" liability shield in which the LLC owners generally do not have personal liability for the debts and liabilities of the LLC as an entity. Under the act, a series LLC may also claim a "horizontal" liability shield in which assets of the LLC may be segregated into separate series and liability may be established only against each series with respect to the activities and debts of that series, not as to the LLC as a whole. In effect, as to assets, debts, and liabilities, a series is like a subsidiary within the LLC for which no separate state filing is required.

6. Model Veterans Treatment Court Act/Rules: The Model Veterans Treatment Court Act/Rules establish guidelines under which a veteran is provided the opportunity to divert from a court's standard criminal docket into a veterans treatment court. A veteran's participation in the veterans treatment program allows the veteran a chance of rehabilitation as in a traditional drug or mental health treatment court. Participation in the program requires approval of the prosecutor and the criminal court retains power regarding punishment, including conditions of probation. The proposal is structured to allow it to be enacted by state statute or as court rules.

#### 2018—Louisville

At the 2018 annual meeting in Louisville, Kentucky, the following seven uniform acts or amendments to acts were considered and approved:<sup>71</sup>

- 1. Uniform Fiduciary Income and Principal Act: This act updates the Uniform Principal and Income Act, providing a set of modern accounting standards for fiduciaries to allocate receipts and disbursements between trust principal and income, and to adjust those allocations.<sup>72</sup>
- 2. Revised Uniform Law on Notarial Acts (2018): This act allows notaries public to perform notarial acts in the state in which they are commissioned for remotely located individuals using audio-visual communication technology, regardless of where the individual is located. Unlike the 2016 amendment discussed above, the act is not limited to individuals located in foreign countries. The act also includes changes related to electronic records and the performance of notarial acts.
- 3. Uniform Criminal Records Accuracy Act: This act imposes duties on law enforcement agencies and courts that collect, store, and use criminal history records, to ensure the accuracy of the information contained in these records. In addition to use for law enforcement purposes, criminal history records are frequently used in determining an individual's eligibility for employment, housing, credit, and licensing. The act also pro-

W. Boucher, et al., LLCs and LLPs: A Wisconsin Handbook, 6th ed. (Pinnacle 2018), 1-7.

<sup>71.</sup> The following descriptions of final acts approved at the 2018 annual meeting in Louisville are derived primarily from descriptions in the ULC News Release dated July 25, 2018, http://www.uniformlaws.org/NewsDetail.aspx?title=Uniform Law Commission Wraps Up 127th Annual Meeting (last visited August 16, 2018).

<sup>72.</sup> As discussed below and in note 69, Wisconsin has enacted the Uniform Principal and Income Act and its amendments, most recently in 2013 Wisconsin Act 92.

vides individuals the right to see and correct errors in these records, including errors of mistaken identity.

- 4. Uniform Civil Remedies for Unauthorized Disclosure of Intimate Images Act: This act creates a cause of action, as well as remedies in the form of actual damages, statutory damages, punitive damages, and attorney fees, for unauthorized disclosure of private, intimate images. The act also provides procedures enabling disclosure victims to protect their identity in court proceedings.
- 5. **Uniform Nonparent Custody and Visitation Act:** This act establishes guidelines for determining custody of or visitation with a child by persons other than the child's parents.
- 6. Uniform Supplemental Commercial Law for the Uniform Regulation of Virtual-Currency Businesses Act: This act, a companion to the Uniform Regulation of Virtual-Currency Businesses Act approved in 2017, addresses commercial law issues related to virtual currency in a manner similar to provisions of the UCC, including negotiability of virtual currency, use of virtual currency as collateral for a security interest, and custodial arrangements for virtual currency similar to those for securities.
- 7. Amendments to Uniform Commercial Code Articles 1, 3, 8, and 9 (not ready for enactment): These amendments modify the UCC to conform to the creation of a national electronic registry for residential mortgage notes, and will be appropriate only if a federal National Mortgage Note Repository Act is enacted.

The following uniform acts, for which drafting has not yet been completed, received a first reading and discussion at the 2018 annual meeting in Louisville: Electronic Wills Act, Highly Automated Vehicles Act, Registration of Canadian Money Judgments Act, and Tort Law Relating to Drones Act.

### Uniform acts recently enacted in Wisconsin

The ULC tracks the status of uniform and model acts introduced in each state's legislature and keeps a tally of enactments in each state. According to the ULC, Wisconsin has enacted the following uniform or model acts, or amendments to these acts, in the three most recent legislative sessions:<sup>73</sup>

#### 2013–14 Legislative Session

UCC Article 4A Amendments (2012): 2013 Wisconsin Act 33 modifies provisions of the Uniform Commercial Code relating to the electronic transfer of bank funds by a consumer to a recipient in a foreign country.

<sup>73.</sup> An asterisk preceding an act name denotes that the Wisconsin legislature made more than minor modifications in enacting the uniform act.

\*Uniform Trust Code and Uniform Principal and Income Amendments (2008): 2013 Wisconsin Act 92 reorganizes and comprehensively modifies Wisconsin's trust law. The act includes general provisions governing trusts; requirements for the creation, modification, and termination of trusts; and procedures regarding the role of a court in administering a trust and designation and removal of a trustee. The act also defines powers and duties of a trustee; creates provisions applicable to revocable trusts; governs duties owed by fiduciaries in relation to the trust; describes the liabilities of trustees and other individuals in relation to a trust; and addresses issues relating to creditors' claims, trust representation, spendthrift restrictions, and discretionary trusts. The act also makes tax-related changes pertaining to trustee payments from the principal and income of a trust. The act includes nonuniform provisions, including rules related to a trustee's authority to appoint assets to another trust (known as decanting), trust protectors, directed trusts, and life insurance contracts owned by trusts.

\*Uniform Residential Mortgage Satisfaction Act: 2013 Wisconsin Act 66 specifies requirements for recording a satisfaction of a security instrument for real property (mortgage) after a secured obligation has been paid and establishes a process for a satisfaction agent to record an affidavit of satisfaction of a mortgage.

#### 2015–16 Legislative Session

\*Revised Fiduciary Access to Digital Assets Act (2015): 2015 Wisconsin Act 300 establishes rules for a person to authorize the disclosure of, and rules governing the disclosure of, digital property (an electronic record in which a person has a right or interest) to a personal representative of a decedent's estate, agent under a power of attorney, trustee, or conservator or guardian of a protected person.

\*Uniform Interstate Depositions and Discovery Act (enacted by court rule): Supreme Court Order No. 13-16A, 2015 WI 70 (repealing and recreating section 887.24, Wisconsin Statutes), establishes standardized procedures for conducting out-of-state discovery and applies to litigants in state court outside of Wisconsin that seek to conduct discovery in Wisconsin. The act provides an option for a simplified process for an out-of-state litigant to subpoena a third party to provide testimony or documents in Wisconsin.

Uniform Interstate Enforcement of Domestic Violence Protection Orders Act: 2015 Wisconsin Act 352 sets forth procedures for enforcing foreign protection orders and makes changes regarding definitions, filing fees, and immunity for government officials enforcing foreign protection orders.

\*Revised Uniform Partnership Act (1997) (last amended 2013): 2015 Wisconsin Act 295 makes significant changes to the state's partnership law. Under the act, a partnership is a distinct legal entity, not merely an aggregation of individual partners, and can hold property in its own name. Among its numerous changes, the act 1) modifies the fiduciary duties a partner owes to the partnership and other partners; 2) provides that a partner's disso-

ciation from the partnership does not automatically require dissolution of the partnership; 3) requires limited liability partnerships to file annual reports; 4) specifies procedures for partnerships to engage in mergers, conversions, interest exchanges, and domestications; and 5) allows partnerships to give public notice of limits on partner or agent authority. The changes in the act apply to partnerships formed on or after January 1, 2018, and apply, on that date, to partnerships formed before that date unless the partnership elects otherwise.

#### 2017–18 Legislative Session

\*Uniform Adult Guardianship and Protective Proceedings Jurisdiction Act: 2017 Wisconsin Act 187 creates procedures to resolve potential conflicts regarding guardianship jurisdiction between states, including procedures through which a Wisconsin court may communicate with, and request action of, a court in another state concerning a guardianship. The act specifies circumstances under which a Wisconsin court has personal jurisdiction to appoint a guardian and, if the court does not have personal jurisdiction, authorizes the court to exercise special jurisdiction to take limited actions. The act also establishes procedures that apply to a request to transfer a guardianship from Wisconsin to another state or from another state to Wisconsin. The act allows a guardian to register a guardianship in Wisconsin by filing a foreign judgment in a Wisconsin court if a guardianship has been established in another state and there is no petition pending in Wisconsin with respect to the guardianship.

Uniform Recognition and Enforcement of Canadian Domestic-Violence Protection Orders Act: 2017 Wisconsin Act 181 allows recognition and enforcement of domestic violence protection orders issued by Canadian courts in civil proceedings.

## Uniform acts recently introduced in Wisconsin

In the three most recent legislative sessions, the following uniform acts were introduced but not enacted:

Uniform Collateral Consequences of Conviction Act: 2015 Senate Bill 677 and 2015 Assembly Bill 908 (companion bills) address the issue of collateral consequences of a conviction or finding of delinquency. The bills define a collateral consequence as a penalty, disqualification, disability, or disadvantage imposed by operation of law that a person suffers as a result of being convicted of an offense, but not including imprisonment, probation, or imposition of a fine or forfeiture.

Uniform Act on Prevention of and Remedies for Human Trafficking: 2015 Senate Bill 745 expands upon provisions of existing law that prohibit human trafficking and trafficking of a child. The bill includes provisions that disqualify an entity that commits a trafficking offense from state contracts, that relate to trafficking victim immigration status, and that increase penalties under certain circumstances. ■