

David S. Walker
1922 80th Street
Windsor Heights, IA 50324

January 10, 2023

The Honorable Jack Whitver, Chair
The Honorable Pat Grassley, Vice Chair
Members of the Legislative Council
Iowa General Assembly
State Capitol
Des Moines, Iowa 50319

Re: 2022 Annual Report of the Iowa Commission on Uniform State Laws

Dear Senator Whitver, Speaker Grassley, and All Members of the Legislative Council:

I am enclosing the Annual Report for 2022 of the Iowa Commission on Uniform State Laws, which I submit on behalf of myself and fellow Commissioner, Craig S. Long. Established by Chapter 5 of the Iowa Code, three Commissioners appointed by the Governor serve as Iowa's Commissioners on the national Uniform Law Commission ("ULC") and constitute the Iowa Commission on Uniform State Laws. At the present time, there is one vacancy on the Iowa Commission. Section 5.4 of the Iowa Code requires the Iowa Commission annually to report to the Legislative Council with an account of its transactions, activities, and recommendations for the year. The Commission's Report for 2022 is enclosed.

A word about the ULC. The ULC is a non-partisan, tax-exempt, government-service organization whose purpose is to serve the States by identifying areas where uniformity of state law would be desirable and practicable to achieve. Areas in which the ULC has done so include family law, commercial law, business law, trust law, and areas generally where conflicts among states' laws exist, creating problems that a Uniform Law might resolve. Commissioners research and carefully draft proposed Uniform Acts and submit them to the States for their consideration and possible introduction and enactment. Iowa has 72 Uniform Acts currently in effect, and since joining the ULC in 1895, Iowa has adopted more than 100 Uniform or Model Acts.

Our 2022 Annual Report provides an overview of the ULC; its history, mission, governance, and procedures; the activities of the Iowa Commissioners; and financial information regarding state appropriations for the ULC, the ULC's budget, and Iowa's dues and payments as a member of the ULC for each of the last 14 years, including an arrearage in payments. Part VI provides a Summary of the Uniform Acts approved at the 2022 Annual Meeting, which for convenience I have copied and incorporated at the conclusion of this letter. These new Uniform Acts are:

- A. Uniform Alcohol Direct-Shipping Compliance Act;
- B. Uniform Electronic Estate Planning Documents Act;
- C. Model Public Meetings During Emergencies Act;
- D. Uniform Telehealth Act; and
- E. Uniform Commercial Code and Emerging Technologies Act.

In the 2023 Session of the General Assembly, we believe that three Uniform Acts will be introduced. One is the Uniform Limited Liability Company Act as most recently amended in 2013. It revises and updates Iowa's current Uniform LLC Act, IC Chapter 489. A second is a bill that would update HF2445, which the Legislature passed and the Governor signed last June. That bill added a new article to the Uniform Commercial Code to deal with Controllable Electronic Records. The bill to be filed incorporates amendments made by the Uniform Law Commission in July 2022, which it was anticipated might be made. Both of these bills were considered and approved by the Iowa State Bar Association's Board of Governors. The third is the Uniform Public Expression Protection Act. That Uniform Act was introduced in the previous General Assembly and was passed by the House without dissent as HF456. It did not emerge from Senate Judiciary by the date of the first funnel and thus died. In keeping with the Commission's statutory responsibility to "report to the legislative council . . . its advice and recommendations for legislation," we recommend these bills for your consideration.

We would be happy to address any questions you may have about the ULC, the Iowa Commission, or any of the Uniform Acts in which members of the Legislative Council and the Legislature may have interest.

Sincerely,

/s/ David S. Walker

David S. Walker, Chair
Iowa Commission on Uniform State Laws

CC: Craig S. Long, Commissioner
Timothy McDermott, Director, Legislative Services Agency

SUMMARY of UNIFORM ACTS APPROVED by ULC in 2022

UNIFORM ALCOHOL DIRECT-SHIPPING COMPLIANCE ACT

The Uniform Alcohol Direct-Shipping Compliance Act enhances an enacting state's capability to detect and stop unlawful direct-to-consumer ("DTC") shipments of alcoholic beverages to the state's residents. The Act integrates with existing state law as to whether DTC shipping is allowed, and for which types of alcoholic beverages. The Act does not create new or additional authorization burdens to ship alcoholic beverages directly to a consumer. Instead, the Act creates new tools for state regulators to use to ensure that existing state laws regarding DTC shipping are obeyed. For instance, the Act provides state regulators a mechanism for distinguishing between DTC shipments originating from shippers licensed under the state's existing law and DTC shipments originating from non-licensed shippers.

UNIFORM ELECTRONIC ESTATE PLANNING DOCUMENTS ACT

The Uniform Electronic Estate Planning Documents Act will fill a gap in the law regarding the execution of certain estate planning documents, including trusts and powers of attorney. The Uniform Electronic Transactions Act (UETA) authorizes the electronic execution of bilateral contracts if the parties to a transaction agree. The Uniform Electronic Wills Act (UEWA) authorizes the testator of a will and witnesses to execute a will in electronic form. However, trusts, powers of attorney, and some other types of estate planning documents fell into a legal grey area where the law governing electronic execution was ambiguous. The Uniform Electronic Estate Planning Documents Act clarifies that these documents may also be executed in electronic form. The new act was drafted to complement UEWA and could be adopted by a state simultaneously with that act to comprehensively authorize the electronic execution of wills, trusts, powers of attorney, and several other types of common estate planning documents.

MODEL PUBLIC MEETINGS DURING EMERGENCIES ACT

The Covid-19 pandemic has highlighted the need for public bodies to meet when disasters and other emergencies make in-person meetings of public bodies either impossible or inadvisable. The Model Public Meetings During Emergencies Act is intended to provide a process to ensure that important public meetings can go forward when these events occur consistent with protecting public access to meetings. The Act builds on existing state laws authorizing the declaration of emergencies and subjecting public meetings to various procedural and public access requirements. This Act is intended to work in harmony with those laws, particularly open meetings and other laws providing for public comment on and participation in the deliberations of public bodies.

UNIFORM TELEHEALTH ACT

In recent years, improvements in telecommunication technologies have transformed the delivery of health care. The arrival of the Covid-19 pandemic greatly expanded patient demand for telehealth services. To meet patient needs, many states chose to modify licensure and other requirements that served as barriers to the delivery of telehealth services. Today, many states are

re-examining laws related to telehealth, often with an eye toward expanding access to care while maintaining protections for patients. The Uniform Telehealth Act has two broad goals. The first is to make clear that, as a general matter, health care services may be provided through telehealth, if doing so is consistent with applicable professional practice standards and the practitioner's scope of practice, as defined by the state in which the patient is located. The second goal is to establish a registration system for practitioners who hold licenses in other states. This Act permits a registered practitioner to provide telehealth services to patients located in the state adopting the act.

UNIFORM COMMERCIAL CODE AND EMERGING TECHNOLOGIES

The 2022 Amendments to the Uniform Commercial Code (UCC) update and modernize the UCC to address emerging technologies. A new UCC Article 12 on Controllable Electronic Records governs transactions involving new types of digital assets (such as virtual currencies, electronic money, and nonfungible tokens), and corresponding changes to UCC Article 9 address security interests in digital assets. The 2022 amendments also update terminology to account for digital records, electronic signatures, and distributed ledger technology, provide rules for electronic negotiable instruments, and clarify the rules for UCC applicability to hybrid transactions involving both goods and services.

Iowa Commission on Uniform State Laws
Agency 660

Annual Report for 2022

Submitted by
Craig Long
David S. Walker, Chair

I. PREAMBLE

To the Honorable Kim Reynolds, Governor of Iowa; the Honorable Adam Gregg, Lt. Governor; and the Chair, Vice Chair, and Members of the Iowa Legislative Council:

The members of the Iowa Commission on Uniform State Laws, acting pursuant to Iowa Code § 5.4, respectfully submit this Annual Report for 2022. This Report provides an Overview of the Uniform Law Commission (“ULC” or “the Commission”) nationally and Iowa’s membership since 1895 (Part II); the ULC’s History (Part III) and Procedures (Part IV); and Activities of your Iowa Commissioners (Part V). It also provides a Summary of New Acts Approved by the Uniform Law Commission in 2022 (Part VI), together with a list of Iowa’s more recent enactments of Uniform or Model Acts (Part VII), including an Attachment identifying Iowa’s current Uniform and Model Acts. Finally, in Part VIII this Report provides information regarding state appropriations for the ULC, the ULC’s budget and other financial information, and Iowa’s dues, dues payments and arrearage, and travel expenses.

Newly approved Uniform Acts in 2022, summarized below on pages 9-10, are as follows:

- A. Uniform Alcohol Direct Shipping Compliance Act;
- B. Uniform Electronic Estate Planning Documents Act;
- C. Model Public Meetings During Emergencies Act;
- D. Uniform Telehealth Act; and
- E. Uniform Commercial Code Amendments and Emerging Technologies.

II. OVERVIEW OF THE ULC’S PURPOSE, COMPOSITION, AND PROCESS

Creation and Purpose. Since 1892 the Uniform Law Commission has worked for the uniformity of state laws where uniformity would be desirable, achieved through the actions of *state* legislatures, not *federal* law, which would be supreme under the Supremacy Clause of the U.S. Constitution. It is comprised of state commissions on uniform laws like ours from every

State in the Union, the District of Columbia, the Commonwealth of Puerto Rico, and the U.S. Virgin Islands. The Commission arose out of the concerns of representatives of state government 130 years ago for the improvement of the law and for better interstate relationships. These objectives have defined and driven the ULC throughout its existence. The State of Iowa joined the ULC in 1895 and was one of the earliest members.

The ULC is not a partisan organization. It is a non-partisan, unincorporated state service organization under federal law that the IRS has ruled is tax-exempt under Section 115 of the Internal Revenue Code. The ULC has never been affiliated with any political party or movement; and its sole purpose has been and remains service to state government and improvement of state law, especially in addressing interstate activity, conflicts, and ambiguities in those areas of citizens' lives that are not confined to a single state but instead cross state borders and can become subject to conflicting state laws or appear to do so. These areas include Family Law, Commercial Law, Business Organization Law, and Trust Law, and, increasingly, Technology's impact upon the law. Examples of Uniform Acts which not only Iowa but a great number, if not the great majority, of States have adopted include the following:

- *Family Law* statutes like the Uniform Child Custody, Jurisdiction and Enforcement Act; the Uniform Interstate Family Support Act; the Uniform Deployed Parent Custody and Visitation Act; and the Uniform Adult Guardianship and Protective Proceedings Jurisdiction Act;
- *Commercial Law* statutes like the Uniform Commercial Code; the Uniform Trade Secrets Act; and the Uniform Money Services Act;
- *Business Law* statutes like the Uniform Limited Liability Company Act; the Uniform Partnership Act; the Uniform Limited Partnership Act; and the Uniform Securities Act;
- *Trust Law* statutes like the Uniform Prudent Investor Act; the Uniform Principal and Income Act; the Uniform Prudent Management of Institutional Funds Act; the Revised Uniform Fiduciary Access to Digital Assets Act; and the Uniform Custodial Trust Act; and
- *Acts Dealing with or Impacted by Technology*, like The Uniform Electronic Transactions Act; the Revised Uniform Law of Notarial Acts; and the Uniform Electronic Legal Material Act.

Composition, Appointment of Commissioners, and Duties, including Duty to Report to the Legislative Council. Each State determines the number of commissioners on uniform state laws that it will appoint and the method of appointment. All states provide for appointment of commissioners, and in some states commissioners are also chosen *ex officio*, for example, the Chairs of the House and Senate Judiciary Committees. The Iowa Commission is constituted by Chapter 5 of the Iowa Code. Iowa law provides for three commissioners, each of whom is

appointed by the Governor pursuant to IC § 5.1.¹ Since July 1, 2020, and at the present time, there has been a vacancy on the Iowa Commission, so Iowa has only two Commissioners. Uniform Law Commissioners serve for specific terms. As provided in IC § 5.2, in Iowa the term is for four years. The commissioners comprise the State’s Commission on Uniform State Law. They receive no compensation for their work with the ULC or their service to the State.

Commissioners (1) work with other members of the ULC, and with Advisors and Observers, to identify areas where it would be both desirable to have uniform state laws and practicable to achieve substantial uniformity through multiple state enactments; (2) serve as members of drafting committees to draft proposed Uniform Acts for discussion, debate, and approval by the ULC conference of commissioners as a whole; (3) bring Uniform Acts approved by the ULC to the attention of each State’s Legislature for consideration and introduction as legislators may determine; (4) respond to questions about Uniform Acts by legislators and interested citizens; and (5) appear before legislative study committees. Under IC § 5.4, one of the Iowa Commission’s responsibilities is to “report to the legislative council of the general assembly an account of its transactions, and its advice and recommendations for legislation.”

More specifically, commissioners study and review the law of the states to determine whether, with respect to an area of law coming or brought to the ULC’s attention, it would be advantageous for state law to be uniform. If uniformity between and among the states is found to be both desirable and practicable to achieve, the commissioners promote the principle of uniformity by drafting and proposing specific statutes in those areas of the law found to satisfy those criteria. In addition to traditional law areas like Family Law or Business Law, for many years now the impact of technology on our laws has caused the ULC to identify areas where new Uniform Acts would be desirable. Examples include the Uniform Electronic Transactions Act and the Revised Fiduciary Access to Digital Assets Act, both of which Iowa and nearly every State has adopted. An additional example is the set of Amendments to the Uniform Commercial Code approved in the summer of 2022 on account of Emerging Technologies. Again, the ULC *only proposes* uniform acts for consideration by the States. No uniform law is effective until a state legislature adopts it, and it is signed by the Governor.

Process and Results. The ULC’s procedures are inclusive, and its proceedings are public—including meetings of drafting committees. Its drafts and final products are published online and are widely available. Representing both state government and the legal profession and welcoming suggestions from all, the ULC constitutes a coalition of state interests. Through ample provision for interested Observers and Advisors with expertise or experience in the area to participate in drafting committee meetings—including receiving and commenting on drafts,

¹ There is only one fundamental requirement for the approximately 390 uniform law commissioners nationwide. They must be members of the Bar. Some commissioners are state legislators or other state officials. Most are practitioners, judges, and professors. About 15% are legislative staff members.

asking or submitting questions, and making suggestions—the drafting process followed by the ULC allows for broad attendance, observation, scrutiny, and comment from those who would be affected by a Uniform Act if it is approved by the ULC and adopted by states. The process allows for tailoring of a Uniform Act by an enacting state according to its practices and strong preferences. Through this process the ULC has sought to bring uniformity to the divergent legal traditions of more than 50 sovereign jurisdictions. It has done so with significant success. Indeed, 72 Uniform Acts are currently in effect in Iowa, and counting earlier versions of Uniform or Model Acts, Iowa has adopted more than 112 Uniform or Model Acts.

The work of the ULC, when enacted, simplifies the legal life of individuals, businesses, courts and state institutions, and lawyers who represent any of these by providing statutory rules and procedures that are consistent from state to state, or across a great many states, and by making available to each enacting state interpretations of the same or uniform statutory language through judicial opinions in other states. Such interpretations are not binding on the other states and are necessarily tied to the factual context in which a question calling for interpretation arises; but the opinions and interpretations are helpful to businesses, individuals, counsel, and courts in providing a basis for discussion, transactional planning, dispute resolution, and decisions.

III. HISTORY

On August 24, 1892, representatives from seven states—Delaware, Georgia, Massachusetts, Michigan, New York, New Jersey, and Pennsylvania—met in Saratoga Springs, New York, to form what is now known as the Uniform Law Commission. Iowa joined in 1895, and by 1912, every state was participating in the ULC. The U.S. Virgin Islands was the last jurisdiction to join, appointing its first commission in 1988.

In each year of service, the ULC steadily increased its contribution to state law. Since its founding, the ULC has drafted more than 200 uniform laws on numerous subjects and in various fields of law, setting patterns for uniformity across the nation. Today the ULC is widely known for its work in commercial law, family law, trust and estate law, the law of unincorporated business organizations such as partnerships and limited liability companies, and interstate procedures and conflicts of laws.

Perhaps most significant in the ULC's history was the 1940 ULC decision to attack major commercial problems with comprehensive legal solutions – a decision that set in motion the project to produce the Uniform Commercial Code (UCC). The UCC regulates and facilitates interstate as well as intrastate commercial transactions and is indispensable to the flow of commerce in America today. It represented a vast undertaking (1) to overcome barriers created by non-uniform state laws that complicated, slowed, and even blocked interstate business and commercial transactions, and (2) to stimulate both interstate *and* intrastate commerce. Doing so

was recognized as essential in the aftermath of the Great Depression, as America worked during and after World War II to rebuild and grow the economy; and it remains essential today. Working with the American Law Institute, the UCC took ten years to draft, and another 14 years passed before it was enacted across the country. It is probably the signature product of the ULC.

The ULC not only offers Uniform Acts to the States for consideration, but it also attends to those Acts and makes and recommends changes and updates as necessary. As methods and practices in interstate commerce have evolved over the six decades that have passed since the UCC was developed, and as technology advances have been made, from time to time it has been necessary to update and revise Articles of the Uniform Commercial Code. Thus, Articles 1 [General Provisions], 3 [Negotiable Instruments], 4 [Bank Deposits and Collections], 4A Funds Transfers], 7 [Warehouse Receipts], 8 [Investment Securities], and 9 [Secured Transactions] have all been revised. Iowa has adopted each revision. For example, during the 2012 General Assembly provisions of Article 9 were amended to clarify the proper name to use on a UCC Financing Statement; 52 states and territories, including Iowa, have adopted those amendments. In the 2013 General Assembly a bill amending UCC § 4A-108 was enacted that was made necessary by a change in federal law that inadvertently preempted a provision of the UCC governing commercial transactions by businesses; fifty-one states and territories, again including Iowa, have done so thus far. Likewise, it has been found necessary from time to time to update and revise other Uniform or Model Acts as practices change and experiences with the law evolve, for example, the Uniform Voidable Transactions Act (formerly the Uniform Fraudulent Transfer Act) and the Revised Uniform Law on Notarial Acts.

IV. STANDARD PROCEDURES of THE ULC and ITS ORGANIZATION

Standard Procedures. The Uniform Law Commission is convened as a body once a year for an annual meeting. It meets in the morning and afternoon for six days (including the weekend, but not including Sunday afternoon) during the summer. From 1892 to 2019 all such meetings were in person. In 2020, however, on account of the coronavirus pandemic, the Annual Meeting was held entirely virtually over two months' time, and in fact, all meetings of drafting committees and Joint ABA-ULC Editorial Boards have been offered virtually since March 2020, though in-person meetings began again in the fall of 2022. The Annual Meetings in 2021 and 2022 were hybrid, allowing Commissioners either to attend in person or by means of Zoom.

In the interim period between annual meetings, study committees are appointed which work through individual research and over conference calls to consider whether to recommend formation of a drafting committee; and drafting committees meet (ordinarily in person, but again, in 2020-2022, virtually) to discuss and resolve issues, and prepare the working drafts of proposed Uniform Acts that will be considered at the Annual Meeting. Study committees and drafting committees are comprised of Commissioners but also include (1) ABA Advisors representing

various sections of the ABA, for example, the Family Law Section or the Section on Real Property, Trust and Probate Law, and (2) interested Observers, including representatives of business and industry and the nonprofit sector, who have expressed a desire to receive notices and materials, attend meetings, submit comments and critique, and participate in discussion regarding a developing Uniform Act.

At each annual meeting, the work of the drafting committees is read, discussed, and debated—section-by-section and line-by-line. Any Commissioner may be recognized to make a comment, ask a question, request consideration for a change in the draft, or make a motion for the conference of commissioners to consider. Each Act is considered over a substantial number of years and except in extraordinary circumstances is read line-by-line and debated at a minimum of two consecutive annual meetings. No Act becomes officially recognized as a Uniform Act until the ULC is satisfied that it is ready for consideration in the state legislatures. It is then put to a vote of the States, during which commissioners from each state caucus and determine whether the State will vote to approve a proposed Uniform Act. Only if approved by the States does a proposed Uniform Act become an actual Uniform Act to be submitted to the States for each State to consider for introduction, debate, and enactment.

Organization and Governance. Governance of the ULC is provided by certain standing committees. One standing committee is the Executive Committee. It is the ULC's governing body and is composed of the organization's officers, certain ex-officio members, and members appointed by the ULC President. A Committee on Scope and Program is also a standing committee. It considers all new subject areas that are recommended for possible Uniform Acts; and in each case it makes a recommendation to the Executive Committee whether a study committee should be formed, a drafting committee appointed, or no committee formed. Working with legislative liaisons in each state selected from each State's commissioners, a third standing committee, the Legislative Committee, monitors the relationships of the ULC to the state legislatures. A small staff of sixteen persons located in Chicago operates the ULC's national office. It handles meeting arrangements for study and drafting committees as well as each annual meeting, publications, requests from legislative liaisons, and general administration.

The ULC maintains relations with several sister organizations. Official liaison is maintained with the American Bar Association, which provides advisors to all ULC drafting committees and many ULC study committees. The ULC also maintains a liaison relationship with the American Law Institute, the Council of State Governments, the National Conference of Chief Justices, the National Center for State Courts, and the National Conference of State Legislatures. Liaison activities may be conducted with other associations or organizations as interests and activities necessitate or make appropriate.

V. ACTIVITIES OF THE IOWA COMMISSIONERS

A. Current Iowa Uniform Law Commissioners are:

1. Craig S. Long, Counsel
Wells Fargo Legal Department
800 Walnut Street
Des Moines, IA 50309
2. David S. Walker, Professor of Law, Emeritus
Drake University Law School
2507 University Avenue
Des Moines, IA 50311
3. Vacancy

The Iowa Code authorizes the Governor to appoint three Commissioners. Since July 2020, however, there has been a vacancy on the Iowa Commission awaiting appointment of a third Commissioner by the Governor.

B. Activities of the Iowa Commissioners in 2021-2022

1. Commissioner Craig Long served as a member of the following committees and engaged in the following activities:
 - a. Member, Study Committee on Child Participation in Family Court Proceedings, for which he attended three of four quarterly meetings;
 - b. Member, Study Committee on Military Spouse Occupational Licenses for which he attended three of four quarterly meetings;
 - c. Member, Drafting Committee on Restrictive Covenants in Deeds, which has met twice a year and had its first reading at the 2022 Annual Meeting;
 - d. Standby Committee on the Revised Uniform Law on Notarial Acts (2010) (Last Amended 2018) authorizing remote online notarization; and
 - e. Standby Committee on the Uniform Easement Relocation Act.
2. Commissioner Walker served in the following capacities and as a member of the following committees or engaged in the following activities:
 - a. ULC Legislative Liaison for the State of Iowa;

- b. Member, and since December 2021 National Co-Reporter of the Drafting Committee for Updating the ULC's Unincorporated Organization Acts, for which he attended virtual committee meetings on March 10-11, 2022, and November 18-19, 2022; a virtual Informational and Discussion Session on the progress of the Committee for the entire ULC Conference, held June 1, 2022; and a first reading at the Annual Meeting in July, 2022, in addition to several zoom conferences with the Committee Chair and his National Co-Reporter;
 - c. Member, Uniform Protected Series Act Standby Committee, in which capacity he worked with other States that have adopted the UPSA (Nebraska and Arkansas) and continued to work with the Iowa Secretary of State's Office on various issues arising under the Act;
 - d. Member, Uniform Harmonization of Business Entity Acts Standby Committee;
 - e. Member and Past Chairman, Joint Editorial Board for Uniform Unincorporated Business Organization Acts;
 - f. Member, Unincorporated Business Entities Enactment Committee, for which he works with Commissioners in other states on review and consideration of uniform unincorporated organization acts, encouraging or providing assistance with respect to enactment. The Enactment Committee met virtually on December 7, 2022. For this committee he worked with Arkansas Commissioners and the Arkansas Secretary of State's Office on the State's Uniform Limited Liability Company Act;
 - g. In the 2022 Session of the Iowa General Assembly, Commissioner Walker participated in a virtual Legislative Subcommittee Meeting in the Senate on HF456, the Uniform Protection of Public Expression Act, and otherwise communicated with senators about the Act;
 - h. Commissioner Walker also met with or spoke with the Legislative Committees of the Commercial and Bankruptcy Section, the Business Law Section, and the Real Property Section of the Iowa State Bar Association during 2022 about Uniform Acts pertinent to those Sections and made presentations to the Board of Governors of the State Bar Association.
- C. The Annual Meeting of the Uniform Law Commission was held in person and remotely in Philadelphia, Pennsylvania on July 8-14, of 2022. Commissioners Long and Walker both attended the ULC Annual Meeting in July of 2022 in person, and as members of Drafting Committees participated in first readings to the entire of conference of Commissioners.

VI. A SUMMARY of NEW ACTS APPROVED by the ULC in 2022

The following Uniform Acts were approved by the ULC at the 2022 Annual Meeting:

A. UNIFORM ALCOHOL DIRECT-SHIPPING COMPLIANCE ACT

The Uniform Alcohol Direct-Shipping Compliance Act enhances an enacting state's capability to detect and stop unlawful direct-to-consumer ("DTC") shipments of alcoholic beverages to the state's residents. The Act integrates with existing state law as to whether DTC shipping is allowed, and for which types of alcoholic beverages. The Act does not create new or additional authorization burdens to ship alcoholic beverages directly to a consumer. Instead, the Act creates new tools for state regulators to use to ensure that existing state laws regarding DTC shipping are obeyed. For instance, the Act provides state regulators a mechanism for distinguishing between DTC shipments originating from shippers licensed under the state's existing law and DTC shipments originating from non-licensed shippers.

B. UNIFORM ELECTRONIC ESTATE PLANNING DOCUMENTS ACT

The Uniform Electronic Estate Planning Documents Act will fill a gap in the law regarding the execution of certain estate planning documents, including trusts and powers of attorney. The Uniform Electronic Transactions Act (UETA) authorizes the electronic execution of bilateral contracts if the parties to a transaction agree. The Uniform Electronic Wills Act (UEWA) authorizes the testator of a will and witnesses to execute a will in electronic form. However, trusts, powers of attorney, and some other types of estate planning documents fell into a legal grey area where the law governing electronic execution was ambiguous. The Uniform Electronic Estate Planning Documents Act clarifies that these documents may also be executed in electronic form. The new act was drafted to complement UEWA and could be adopted by a state simultaneously with that act to comprehensively authorize the electronic execution of wills, trusts, powers of attorney, and several other types of common estate planning documents.

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The Covid-19 pandemic has highlighted the need for public bodies to meet when disasters and other emergencies make in-person meetings of public bodies either impossible or inadvisable. The Model Public Meetings During Emergencies Act is intended to provide a process to ensure that important public meetings can go forward when these events occur consistent with protecting public access to meetings. The Act builds on existing state laws authorizing the declaration of emergencies and subjecting public meetings to various procedural and public access requirements. This Act is intended to work in harmony with those laws, particularly open meetings and other laws providing for public comment on and participation in the deliberations of public bodies.

D. UNIFORM TELEHEALTH ACT

In recent years, improvements in telecommunication technologies have transformed the delivery of health care. The arrival of the Covid-19 pandemic greatly expanded patient demand for telehealth services. To meet patient needs, many states chose to modify licensure and other requirements that served as barriers to the delivery of telehealth services. Today, many states are re-examining laws related to telehealth, often with an eye toward expanding access to care while maintaining protections for patients. The Uniform Telehealth Act has two broad goals. The first is to make clear that, as a general matter, health care services may be provided through telehealth, if doing so is consistent with applicable professional practice standards and the practitioner's scope of practice, as defined by the state in which the patient is located. The second goal is to establish a registration system for practitioners who hold licenses in other states. This Act permits a registered practitioner to provide telehealth services to patients located in the state adopting the act.

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VII. ENACTMENT RECORD TO DATE

The State of Iowa has adopted seventy-two (72) Uniform or Model Acts that are products of the ULC and that are currently in effect, and that number exceeds 100 if original as well as amended and revised Acts are counted. More recent enactments include:

- (1) The Uniform Environmental Covenants Act;
- (2) The Uniform Money Services Act;
- (3) The Uniform Securities Act (2002);
- (4) The Uniform Limited Partnership Act (2001);
- (5) The Uniform Principal and Income Act;
- (6) The Uniform Prudent Investor Act;
- (7) The Uniform Mediation Act;
- (8) The Uniform Child Custody, Jurisdiction and Enforcement Act;
- (9) The Uniform Interstate Family Support Act;

- (10) The Revised Uniform Partnership Act;
- (11) The Uniform Transfer on Death Securities Registration Act;
- (12) The Revised Uniform Anatomical Gift Act;
- (13) Revised Articles 1, 7, and 9 of the Uniform Commercial Code;
- (14) The Revised Uniform Athlete Agents Act;
- (15) 2008 Amendments to the Uniform Principal and Income Act;
- (16) The Revised Uniform Unincorporated Nonprofit Association Act;
- (17) The Uniform Adult Guardianship and Protective Proceedings Jurisdiction Act;
- (18) The Uniform Foreign Country Money Judgments Recognition Act;
- (19) The 2010 Amendments to UCC Article 9;
- (20) The Revised Uniform Law on Notarial Acts;
- (21) The 2012 Amendments to UCC Article 4A;
- (22) The Uniform Power of Attorney Act;
- (23) 2008 Amendments to the Uniform Interstate Family Support Act;
- (24) 2014 Amendments to the Uniform Voidable Transactions Act;
- (25) The Uniform Deployed Parents Custody and Visitation Act;
- (26) The Revised Uniform Fiduciary Access to Digital Assets Act;
- (27) The Uniform Partition of Heirs Property Act;
- (28) The Uniform Protected Series Act;
- (29) The Uniform Electronic Legal Material Act;
- (30) The 2019 Amendment to the Revised Uniform Law on Notarial Act;
- (31) The 2019 Amendment to the Revised Uniform Athlete Agent Act;
- (32) The Uniform Custodial Trust Act; and
- (33) The Uniform Civil Remedies for Unauthorized Disclosure of Intimate Images Act.

Iowa Commissioners have worked (1) with many members of the Legislature on these Acts; (2) with Offices and Departments in the Executive Branch, including the Iowa Attorney General's Office; the Department of Natural Resources; the Insurance Department and the Securities Commissioner; the Department of Human Services; and the Iowa Department on Aging; (3) with representatives of the State Universities; and (4) with private groups, including the Alzheimer's Association of Central Iowa; the American Association of Retired People; the Iowa National Guard; the Iowa Bankers Association; and a number of sections of the Iowa State Bar Association.

In myriad areas of the law representatives of the States across the country have worked together to develop and draft Uniform Acts for the States' consideration that allow for uniformity to be developed through actions of the *States*, not the federal government. In so doing, the ULC offers States the opportunity to shape and enact state, not federal, solutions to current challenges and issues. Frequently, of course, States are able to act and do so more efficiently than the federal government and, where necessary, make choices available within Uniform Acts.

Accordingly, there are several instances where Iowa has adopted but modified Uniform Acts and tailored them to fit and serve our practices, preferences, and conditions. That, too, is one of the benefits of the Uniform Laws process, operating as it does at the state level.

VIII. STATE APPROPRIATIONS, DUES and TRAVEL EXPENSES, and FINANCIAL INFORMATION

A. What is the state appropriation requested and what does it cover?

The ULC is an unincorporated state service organization that the IRS has ruled is tax-exempt as a state governmental organization under Section 115 of the Internal Revenue Code. It is non-partisan. It is comprised exclusively of persons appointed by the States; and it works only to draft and offer to the States for their consideration Uniform or Model Acts of the highest quality on subjects determined to be important to the States and their citizens, and with respect to which the ULC has concluded that uniform laws would be desirable and practicable to achieve. As a non-partisan state service organization, the ULC depends upon state appropriations for its continued operation. All states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands are asked to contribute a specific amount 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 utilizes five tier levels for dues and assigns states to a specific tier based on a combination of population and economic indicators. Iowa is billed in the lowest Tier, or Tier I. Tier I includes Arkansas, Hawaii, Idaho, Kansas, Maine, and Nebraska, to name a few. For FY23 Iowa's ULC dues were the same as they were the previous two years, \$37,950. For FY24 there will be an increase in the dues assessed to Iowa, to \$39,845, or just about 5%, reflecting inflation but necessary for other reasons, too. Iowa's dues for the last 14 fiscal years have been:

FY10	-	\$31,800
FY11	-	\$31,800
FY12	-	\$32,100
FY13	-	\$32,400
FY14	-	\$33,000
FY15	-	\$33,600
FY16	-	\$33,900
FY17	-	\$34,500
FY18	-	\$35,150
FY19	-	\$36,200
FY20	-	\$37,250
FY21	-	\$37,950
FY22	-	\$37,950

FY23 -	\$37,950
FY24 -	\$39,845

As shown, dues increases that are modest have usually, but not always, been requested. There were no dues increases in FY2021, FY22, or FY23, but for FY24 there will be an increase. However, over a period of 15 fiscal years—from FY10 to FY24—Iowa’s ULC dues will only have increased \$8,045, or 25.3%, for an average annual increase of 1.7% for those years. When the ULC has increased dues, it has done so to adjust for inflation, keep up with expenses, update and increase technological capacity, and support the organization’s operations and priorities. The ULC pays for or reimburses Commissioners for their actual expenses incurred for attendance at drafting committee meetings, but not for the Annual Meeting.

As stated above, the Annual Meeting is the only time during the year when the Commissioners from all states convene to hear read aloud, line-by-line, drafts of proposed Uniform or Model Acts, to discuss and debate and inevitably to revise the proposed Acts, and finally to vote on whether to approve proposed Acts for submission to the several states for their consideration. The Commissioners’ costs for travel to and attendance at the ULC’s Annual Meeting are incurred by the Commissioners individually, and Commissioners have afterwards sought reimbursement through the state appropriation for the Legislative Services Agency. Because the 2020 Annual Meeting was entirely virtual on account of the pandemic, and the 2021 Annual Meeting was similarly offered virtually, no travel expenses were incurred in either of the last two fiscal years. Travel expenses were incurred for FY22 as both of Iowa’s Commissioners attended in person. Travel is a function of the distance to and location of the Annual Meeting each year, and the costs vary accordingly. Information provided by the Legislative Services Agency indicates that total travel costs for Iowa’s three commissioners paid by the State for their attendance at the Annual Meeting were for years less than \$8,000. In some years, as in 2019 when only one Commissioner attended, not all of Iowa’s Commissioners have been able to attend the entire Annual Meeting, and expenses have been much less.

Iowa is and has been for several years behind in dues paid to the ULC. In May of 2017 the General Assembly passed a bill that provided that legislatively appropriated funds could not be expended for the dues of organizations such as the ULC or for members’ out-of-state travel. As a result, Iowa did not pay its ULC dues for FY18 (\$35,150) or FY19 (\$36,200), and only one Commissioner attended the 2017 ULC Annual Meeting, doing so at his own expense. Given Iowa’s long involvement in the ULC and the numerous and significant Uniform and Model Acts Iowa has adopted, Iowa’s Commissioners were hopeful and requested that the Legislature restore funding for the State’s Uniform Law Commission dues and for the support of its commissioners’ participation. It was gratifying, therefore, that the Legislature in May of 2018 enacted legislation authorizing reimbursement for Commissioners’ out-of-state travel to attend the July 2018 Annual Meeting; but the Legislature did not authorize payment of Iowa’s ULC dues for FY19. Two of

Iowa's Commissioners attended the 2018 Annual Meeting at a total cost of \$4,668.77. In May of 2019 the Legislature continued to authorize reimbursement of Commissioners for travel expenses to attend the Annual Meeting, and it also authorized payment of one half of the State's invoiced dues of \$37,250. Pursuant to that authorization, the State paid \$18,625 towards Iowa's ULC dues of \$37,250 for FY2020. In 2020 and 2021, the Legislative Council again authorized payment of one half of Iowa's dues for FY2021 and FY22, or \$18,975, for each fiscal year. In sum, Iowa has not paid the \$71,350 for FY18 and FY19; and with payment of only one half of its dues for FY2020, FY2021, FY22, and FY23, its cumulative arrearage is \$146,900.

The Commissioners appreciate the Legislature's authorization for reimbursement of their out-of-state travel expenses and payment of at least half of the State's dues to the ULC. That said, the Commissioners also respectfully hope and request that the Legislature restore full funding of Iowa's dues, including payment of its cumulative arrearage, to support the ULC and enable Iowa's continued participation.

B. Why should Iowa support the ULC with a financial contribution?

The ULC permits Iowa and other states to draw on the skills, resources, varying perspectives, and experience of the legal profession and numerous Official Observers for very little cost. That cost does not include any compensation for Commissioners, who volunteer the time they devote to the ULC.² Every Uniform or Model Act promulgated by the ULC is developed over the course of two to three years, at intensive meetings, and even if the ULC is meeting virtually, each Act is read and debated on the floor of ULC Annual Meetings at least twice before all of the assembled commissioners participating as a Committee of the Whole. A state attempting to duplicate this careful effort would have to expend considerable resources.

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. The ULC works efficiently for all the states because individual lawyers chosen by each State are willing to donate time to the uniform law movement, because the ULC process is a genuine cooperative effort of all the states, and because the discussion, drafting, and debate of Uniform Acts is an open, non-partisan, transparent process with Advisors, Observers, and the public able to attend study committee and drafting committee meetings, comment and critique drafts, submit different or additional language for consideration and approval, and explain why it is necessary or appropriate.

² The ULC estimates that each commissioner devotes an average 150 hours a year to ULC work, including work on various drafting committees and attendance at the ULC Annual Meeting. These are hours mainly spent in research and drafting work and review, debate, and revision of proposed Uniform Acts before they become final. The cumulative value of this time devoted to the development of uniform and model acts represents thousands of hours of legal expertise. No Commissioner is paid for his or her services to the ULC or to the States they serve.

The ULC seemed like a good idea to its founders in 1892. They saw nearly insoluble problems resulting from the rapid growth of the United States against conflicting and sometimes confusing patterns of state law. That is true whether one is talking about facilitating the purchase or sale of goods across state lines (addressed by the UCC), helping to resolve child custody and family support disputes when parents reside in different states or even abroad (addressed by the Uniform Child Custody, Jurisdiction, and Enforcement Act and the Uniform Interstate Family Support Act), providing for uniformity in light of developing technologies and changes in commerce (Uniform Electronic Transactions Act, Revised Uniform Fiduciary Access to Digital Assets Act, and amendments to the UCC), addressing important matters of trusts, estates, and institutional funds (Uniform Prudent Investor Act, Uniform Principal and Income Act, and Uniform Public Management of Institutional Funds Act), or responding to other emerging issues and concerns (Uniform Civil Remedies for Unauthorized Disclosure of Intimate Images Act).

The ULC continues to be a good idea and a cost-effective investment. The States have chosen to maintain and fund the ULC because it has been useful to their citizens and because it provides real benefits to and strengthens the States in our federal system. Different laws on the same or related subjects in different states, for example, in family law or business or technology matters, can pose problems; and conflicts of substantive law will persist when a helpful uniformity might otherwise be achieved. Without a state-sponsored, national institution like the ULC, more and more legislative activity would likely shift from the States to Washington.

C. How are the funds contributed by the states spent?

The annual budget of the ULC comes to \$5,067,823 for the current fiscal year FY23 (July 1, 2022, to June 30, 2023). Approximately 40% of the ULC's budget will be used to study and draft acts, including holding the Annual Meeting where the acts are presented to the commissioner body for approval. Another 30% is spent assisting state legislatures with bill enactment and public education regarding Uniform and Model Acts. The remainder of the budget pays general administrative costs, governance costs, and occupancy expenses.

The ULC has a small staff in Chicago that provides support for drafting and legislative efforts. The ULC also provides modest honoraria to “reporters”—typically law professors with expertise in particular areas of law—for their work with committees developing specific acts.

D. Are there other financial contributors to the work of the ULC?

The Commission has established royalty agreements with major legal publishers which reprint the ULC's Uniform and Model Acts in their publications. In addition, the Uniform Commercial Code (UCC) is a joint venture between the ULC and the American Law Institute (ALI). In the 1940s, the Falk Foundation supported the UCC's original development. Proceeds

from copyright licensing of UCC materials replenish the original funds provided by the Falk Foundation. Whenever work on the UCC commences, for example, to update or revise the UCC, a percentage of ULC and ALI costs are paid from endowment income.

Grants from foundations, including the Uniform Law Foundation, 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 Commission expands the value of every state dollar invested in its work.

E. The Importance of Iowa's Contribution

Iowa's participation in the ULC has been valuable to Iowa and important not only to the development of state law but also to the healthy functioning of our federal system. Iowa benefits from an excellent body of law created for its consideration, some of which it enacts and all of which contributes to a national dialogue on what the law needs to address and what it should be.

The ULC, and all the states, benefit from having Iowa's direct contribution to the work of the ULC through the payment of dues helping to fund its operations and through the appointment of commissioners who participate in its work and share that with the Iowa Legislature. The experience, ideas, and leadership of Iowa Commissioners have been notable, dating back many, many years to include distinguished lawyers and scholars like former University of Iowa Law School Dean and later United States Supreme Court Justice Wiley Rutledge; the late University of Iowa Carver Professor of Law Allan D. Vestal; Associate Dean Emeritus and Allan D. Vestal Chair Arthur Bonfield; and retired Iowa Supreme Court Justice Linda Neuman. The uniform law process is much the better and would not be complete without each States' representation.

IX. CONCLUSION

We respectfully submit this 2022 Annual Report to you. Each of us is honored to serve the State of Iowa as its Uniform Law Commissioners, and we would gladly make ourselves available to respond to questions about the Iowa Commission, the ULC, or any Uniform Act.

Iowa Commission on Uniform State Laws

BY: */s/ David S. Walker*

David S. Walker, Chair

Craig S. Long

DATE: January 5, 2023