## Minutes of the

## NORTH DAKOTA COMMISSION ON UNIFORM STATE LAWS

National Conference of Commissioners on Uniform State Laws
The Westin Seattle
Seattle, Washington
Monday, July 14, 2014

Commissioner William E. Kretschmar, Chairman, called the meeting to order on Monday, July 14, 2014.

**Members present:** William E. Kretschmar, Owen L. Anderson, Jay E. Buringrud, Gail H. Hagerty, Lawrence R. Klemin, Bradley Myers, Dave Nething, Jake Rodenbiker, Candace Zierdt

Member absent: David J. Hogue

Others present: Katie Robinson, Uniform Law Commission, Chicago, Illinois

Harry J. Haynsworth III, Williamsburg, Virginia

Commissioner Buringrud said North Dakota Century Code Section 54-55-02 provides for two-year terms of the chairman and secretary, and the current officers were reelected at the 2013 meeting.

Copies of a memorandum entitled <u>North Dakota Uniform Laws Recommendations and Enactments Since</u> 2001 were distributed to the commissioners before the meeting for their review.

Discussion concerned whether to make recommendations to the Legislative Management's interim Judiciary Committee.

Commissioner Klemin recommended the Uniform Act on Prevention of and Remedies for Human Trafficking. Commissioner Hagerty reported Attorney General Wayne Stenehjem agreed to supporting the uniform Act as the vehicle for addressing this issue during the 2015 legislative session.

Commissioner Hagerty recommended the Uniform Fiduciary Access to Digital Assets Act. She said an Act addressing this issue was introduced during the 2013 legislative session, but it was incomplete. She said she informed Senator Judy Lee that a more comprehensive Act was being prepared by the National Conference of Commissioners on Uniform State Laws and would be ready for introduction in 2015.

Commissioner Klemin recommended reintroduction of the Amendment to Uniform Commercial Code (UCC) Article 4A (4A-108), which was introduced in 2013 as House Bill No. 1127. He said it appears the bill failed in the Senate due to lack of passage in a number of states in 2013. He said, to date, 41 states, including Minnesota, South Dakota, and Montana, have adopted the Act.

Commissioner Buringrud said the commission traditionally has recommended amendments to uniform Acts that have been enacted in North Dakota, so as to keep those Acts current with the provisions recommended by the national conference. He recommended the Amendments to the Uniform Fraudulent Transfer Act (redesignated by the conference as the Uniform Voidable Transactions Act).

Minnesota Commissioner Harry J. Haynsworth III, Williamsburg, Virginia, said the amendments to the Uniform Voidable Transactions Act are especially helpful in bankruptcy matters.

Commissioner Klemin recommended the revised Uniform Limited Liability Company Act. He said North Dakota has the original Act, and the opposition to adoption of the revised Act was because Minnesota had not adopted the revised Act.

Minnesota Commissioner Haynsworth said Minnesota has adopted the revised Act, with a couple of modifications. He said the major modification was to carry forward the board of manager provisions to the revised Act. He said he would provide the Minnesota version of the Act to Commissioner Klemin.

Commissioner Rodenbiker said the Uniform Asset Freezing Orders Act was introduced in 2013, but it failed to pass the Senate. Commissioner Buringrud said the apparent reason was because no other state had adopted the Act to date. The consensus was that the Act not be re-recommended until other states have adopted the Act.

The consensus was to inform the interim Judiciary Committee that the commission is recommending:

- The Uniform Act on Prevention of and Remedies for Human Trafficking.
- The Uniform Fiduciary Access to Digital Assets Act.
- The amendment to UCC Article 4A (4A-108).
- Amendments to the Uniform Voidable Transactions Act (formerly the Uniform Fraudulent Transfer Act).
- The revised Uniform Limited Liability Company Act.

No further business appearing, Chairman Kretschmar adjourned the meeting.

Jay E. Buringrud Secretary