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2016-17 Governor's Budget - Uniform Law Commission

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AT A GLANCE

- Ten Commissioners, as members of the National Conference of Commissioners on Uniform State Laws, (ULC) volunteer their services to draft uniform acts for adoption by the states and promote their adoption in Minnesota.
- Minnesota adopted five uniform acts in the past two years and has over 80 currently in statute.

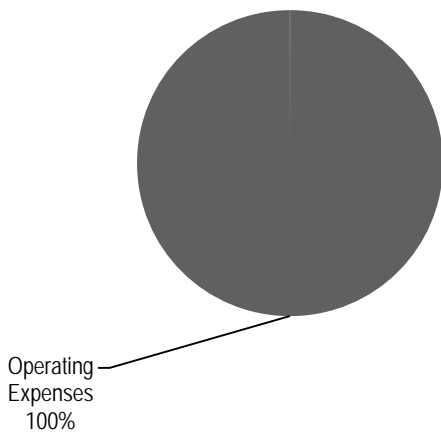
PURPOSE

Ten unpaid Minnesota Uniform Law Commissioners work with Commissioners from other states, the District of Columbia, U.S. Virgin Islands and Puerto Rico to prepare uniform acts that address complex and technical issues of commercial and other private law for introduction in their legislatures. Uniform acts establish the legal framework for economic growth, trade, and business development, and support the rule of law and federalism.

- Uniform acts enable states to carry out their responsibilities, preserving the role of state law in our federal system.
- The Uniform Commercial Code and numerous other business acts benefit Minnesota businesses and consumers.
- Uniform acts provide the legal framework to support **stable families and communities**.
- Uniform acts support the rule of law
- The ULC supports **efficient and accountable government services**.

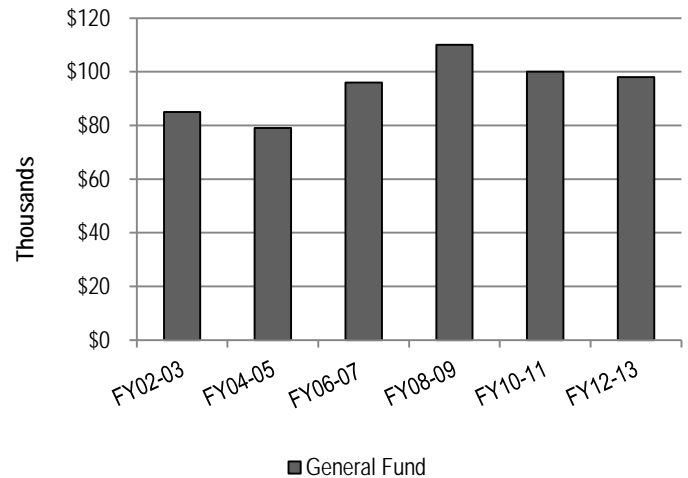
BUDGET

**Spending by Category
FY 13 Actual**



Source: SWIFT

Historical Spending



Source: Consolidated Fund Statement

The total FY 2013 budget of \$49,000 was provided by general fund appropriations.

STRATEGIES

All commissioners fulfill their responsibilities by participating in the development, drafting, approval and promulgation of uniform acts. Commissioners do this by (1) serving on drafting committees that prepare acts, (2) participating in the mandatory annual meeting at which proposed acts are debated, amended and approved, (3) promoting adoption by the legislature, and (4) securing support from people and organizations interested in an act such as the Minnesota State Bar Association. Commissioner Harriet Lansing is the current President. Commissioner Robert Stein was President from 2009-11. Others have served on the Executive, Scope and Program and Legislative Committees and others now both serve on and chair drafting committees.

Drafting committees prepare acts for debate and approval at annual meetings. Each drafting committee meets two to three weekends per year usually for two and one-half days. Drafting an act typically takes three years. Before an act is approved and promulgated it is read line-by-line, scrutinized and debated by the entire Uniform Law Conference at two annual meetings.

Commissioners are lawyers who bring their collective expertise to drafting committees and to the annual meeting, providing thousands of hours of volunteer service to the state. Some commissioners provide more than 200 hours of voluntary service each year.

RESULTS

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Result	<i>Acts adopted by the legislature 1892-2012. Over 137 uniform acts have been adopted since 1892. Over 80 are currently in effect.</i>	137	N/A	Before 2013
Result	<i>Acts adopted by the legislature 2013-2014:</i> <ol style="list-style-type: none"> 1. Uniform Limited Liability Company Act. 2. Uniform Electronic Legal Materials Act. 3. Amendments to the Interstate Family Support Act. 4. Amendments of the Uniform Commercial Code Article 4A. 5. Disposition of Community Property Rights at Death Act. 	N/A	5	2013-2014
Result	<i>Uniform acts introduced in the legislature 2013-2014. The five acts adopted plus:</i> <ol style="list-style-type: none"> 1. Uniform Collateral Consequences of Conviction Act. 2. Uniform Faithful Presidential Electors Act. 	N/A	7	2013-2014

Uniform Law Commission statutes at [M.S. 3.251-.253](https://www.revisor.mn.gov/statutes/?id=3.251&year=2013&keyword_type=all&keyword=3.251)
https://www.revisor.mn.gov/statutes/?id=3.251&year=2013&keyword_type=all&keyword=3.251

Expenditures By Fund

	Actual		Actual FY14	Estimate FY15	Forecast Base		Governor's Recommendation	
	FY12	FY13			FY16	FY17	FY16	FY17
1000 - General	49	25	145	86	84	84	88	93
Total	49	25	145	86	84	84	88	93
<i>Biennial Change</i>				157		(63)		(50)
<i>Biennial % Change</i>				214		(27)		(22)
<i>Governor's Change from Base</i>								13
<i>Governor's % Change from Base</i>								8

Expenditures by Program

Program: Uniform Laws Cmsn	49	25	145	86	84	84	88	93
Total	49	25	145	86	84	84	88	93

Expenditures by Category

Operating Expenses	49	25	145	86	84	84	88	93
Total	49	25	145	86	84	84	88	93

(Dollars in Thousands)

1000 - General

	Actual		Actual FY 14	Estimate FY15	Forecast Base		Governor's Recommendation	
	FY12	FY 13			FY16	FY17	FY16	FY17
Balance Forward In				2				
Direct Appropriation	49	49	147	84	84	84	88	93
Cancellations		24						
Expenditures	49	25	145	86	84	84	88	93
Balance Forward Out			2					
<i>Biennial Change in Expenditures</i>				157		(63)		(50)
<i>Biennial % Change in Expenditures</i>				214		(27)		(22)
<i>Gov's Exp Change from Base</i>								13
<i>Gov's Exp % Change from Base</i>								8

Uniform Laws Commission

FY16-17 Biennial Budget Change Item

Change Item: Increased Dues and Travel Costs

Fiscal Impact (\$000s)	FY 2016	FY 2017	FY 2018	FY 2019
General Fund				
Expenditures	4	9	9	9
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	4	9	9	9
FTEs	0	0	0	0

Recommendation:

The Governor recommends \$4,000 in FY 2016 and \$9,000 in FY 2017 to cover anticipated cost increases. The changes include an expected increase in Minnesota dues to the National Conference of Commissioners on Uniform State Laws and expected increases in commissioner travel costs to attend the 2016 and 2017 annual meetings.

Rationale/Background:

The work of the commissioners bolsters the role of the states in our federal system by providing solutions to problems that have nationwide implications and that would otherwise migrate to the federal Congress where the attempted solutions do not work as well and are delayed in enactment. Commissioners volunteer their time to study problems and draft uniform acts for adoption by the states that address these problems. It is particularly significant to integrate important changes in complex legislation such as child support acts that are required in order to receive federal funds and commercial and entity legislation which help keep our state business laws competitive and functional. Commissioners volunteer their time and do not receive any compensation for their work. Since Minnesota became a member of the ULC it has adopted 137 uniform acts.

International expansion of business, movement of people, and the globalization of the world economy drives international businesses to seek solutions at the federal level so as not to have to deal with 50 states. The work of the commissioners is critical to addressing issues of national and increasingly international importance. It provides solutions for states to adopt and preserve their traditional roles in commercial, family and other areas of law through legislation that is functional and carefully considered and crafted.

Businesses and other organizations frequently seek a uniform standard through a congressional act that preempts state law, to avoid the cost and difficulty of dealing with the inconsistent laws of 50 states.

Proposal:

Commissioners' duties and responsibilities remain the same each year. This is not a new initiative or change to an existing program. No additional staff is needed. Current annual dues of \$56,600 are expected to increase 1% each year. Travel expenses are based upon the contracted hotel rates and the estimated air fares based upon current ticket prices to the conference cities. As ULC President, Commissioner Lansing's hotel costs are not included for FY 2016 because they are paid by the ULC. Her term ends at the annual meeting in July 2015 and thereafter the expense will revert to the state. This accounts for a significant part of the requested increase for 2017. Air fares vary considerably by city and are expected to increase. Annual meeting registration costs are expected to remain the same at \$600 per commissioner.

Commissioners will continue, as they have done, to present 4-6 uniform acts each session to the legislature for its consideration and adoption. Commissioners work extensively with the legislature to obtain authors, hearings, and passage of acts.

Commissioners have a statutory obligation and duty to participate in the annual meeting. The funds are necessary to support this obligation. Unless commissioners volunteer their time, participating in drafting committees and the annual meeting, the work of the ULC cannot be performed and problems will not be addressed. Commissioners serving on a drafting committee will spend 2-4 weekends per year in a conference room drafting an act. The typical drafting committee meeting begins early Friday morning and runs through Sunday noon.

The ULC drafts acts that address significant state, national and increasingly international problems. To the extent that the legislature adopts them the rationale for federal legislation is undercut and Minnesota continues to have the benefit of this significant resource of uniform acts that effectively addresses evolving state problems.

The ULC promulgates new acts at its annual meeting each year and proposes them to the states for adoption. Each year commissioners bring to the legislature the uniform acts and seek adoption. This occurs during the legislative session. At the same time the ULC continues to study new issues and to make decisions to create committees to address these developing issues.

Results:

Results are measured by the number of acts passed and how well the acts work. Minnesota has adopted over 137 uniform acts since 1892 and over 80 are currently in force. In calendar years 2013 and 2014 seven acts were introduced of which five were signed into law.

Statutory Change(s):

Not applicable.