NATIONAL CONFERENCE OF COMMISSIONERS ON UNIFORM STATE LAWS

MEETING OF THE COMMITTEE ON INTERNATIONAL LEGAL DEVELOPMENTS

Pittsburgh, PA July 25, 2004

Minutes

The meeting of the Committee on International Legal Developments (hereinafter "ILDC") was convened at the Omni William Penn Hotel in Pittsburgh, Pennsylvania by Chairman Curtis Reitz at 10 a.m. on July 25, 2005. All members of the committee were present or excused, and the committee's liaison members from the US State Department and the Uniform Law Conference of Canada were also present, as were Fred H. Miller, President, Howard J. Swibel, Chair of the Executive Committee, Martha Lee Walters, Chair of Scope and Program, William H. Henning, Executive Director, and Michael R. Kerr, Deputy Executive Director/Deputy Legal Counsel.

Chairman Reitz discussed the work of four subcommittees on the ILDC, and the committee members and other attendees asked several questions about their work and interrelationship. Also discussed was the work and comparative function of the Ad Hoc committee on International Projects appointed at the previous winter meeting of the Executive Committee.

Commissioner Swibel discussed the nature and goals of the ongoing effort to expand NCCUSL's international work, including the possibility of obtaining outside funding to support this initiative.

The committee discussed several administrate questions in this regard, including:

- 1. Whether to request a budget for ILDC meetings and operations
- 2. Whether NCCUSL should unify the ILDC committee with the Ad Hoc Committee
- 3. What sort of resources are needed to pursue projects and secure significant federal support
- 4. whether NCCUSL should affiliate with the Organization of American States
- 5. Whether the ILDC needed a reporter or perhaps dedicated staff support

During the meeting the committee discussed these issues and voted to ask Commissioner Burnett to carry its recommendation to Executive Committee that a budget be established for the work of the committee and that NCCUSL affiliate with OAS. The Committee also voted to recommend that the work of the ILDC and Ad Hoc committee be combined into a single entity. Chairman Reitz led a discussion of several recently competed international law projects, including the Hague Convention on Recognition and Enforcement of Judgments with Exclusive Forum provisions, The UNCITRAL Convention on Electronic Commerce, and the newly-started UNIDROIT project on the law governing securities held by intermediaries.

The Committee also discussed the possible modalities of state-law based projects to implement international agreements (i.e. drafting prior to, or after, a senate ratification; using federal legislation to compel rapid state adoption, etc.) and also identified the primary justifications for NCCUSL working in this field, to wit that state (and provincial) implementing statutes allow for local and regional customization while at the same time preserving traditional state areas of law from what is often clumsy federal preemption.

The committee discussed the concept of regional implementation of international agreements as well. For example, if there is an agreement which has not reached the threshold of ratifications necessary for it to take effect, a number of countries (the NAFTA or CAFTA region for example) could implement it regionally. One question that was raised in the discussion is whether such an effort provides a sufficient nexus to NCCUSL's core mission, however, which is the development of state (rather than federal) laws.

The committee then discussed a number of potential implementation projects, several of which would be suitable for either joint or parallel development with the uniform law conferences of Canada. These include the follow international agreements:

- 1) The convention on Enforcement of Foreign Judgments in exclusive forum circumstances (HAGUE)
- 2) The convention on electronic commerce (UNCITRAL)
- 3) The convention on choice of law for intermediated securities (HAGUE)
- 4) The convention on letters of credit
- 5) The convention assignment of receivables (UNCITRAL)
- 6) The convention on negotiable instruments
- 7) The convention on international wills (UNIDROIT)

The committee discussed the benefits of having an initial project up and running in the very near future, especially with regard to items 1 and 2, and voted to refer these items to scope and program for its immediate consideration.

After discussion, the committee concurred with Chairman Reitz's preference to request an 'appropriate' committee or committee to do this work rather than specifying a drafting committee, so as to provide maximum institutional flexibility going forward. Commissioners Swibel and Walters respectively indicated that a study committee with a mandate to report back within 60 days on how best to prioritize, fund, and execute this work was possible, and that scope could meet in a special session to begin this process. Commissioner Reitz ended the meeting with a discussion of new and upcoming international agreement projects, and indicated that additional support was necessary to track and report on these projects as they developed. The committee discussed ways in which NCCUSL might best participate in future international projects, including participation in pre-meeting conference calls organized by US State Department delegation participants.

The ILDC Committee recessed at approximately 1 p.m. on July 25, 2005.