

The RPPT Bulletin is emailed out on a bi-monthly basis to all Section members to keep members up-to-date on the activities of the Section.

Gatekeeper Initiative

On November 17, 2004, members of the Section's Gatekeeper Task Force, along with Section Vice Chair **Kevin Shepherd**, will be traveling to Washington DC to participate with representatives of ACTEC and ACREL in a meeting with lawyers from the Department of Treasury. The meeting has been scheduled to afford these three organizations an opportunity to engage in a dialogue with Treasury concerning the role of lawyers in the international fight against money laundering that is being waged under the Gatekeeper Initiative. Promptly after this meeting, the Section's attendees will provide an update to the Section's leadership on the results of the meeting.

Uniform Assignment of Rents Act

The drafting committee appointed by the National Conference of Commissioners on Uniform State Laws ("NCCUSL") is in the final drafting stages of the Uniform Assignment of Rents Act. The Section (and the ABA) is represented on the drafting committee by **Ira J. Waldman** of Los Angeles, California. The drafting committee was formed based on a recommendation of the Joint Editorial Board for Uniform Real Property Acts, on which Board **Shannon Skinner** of Seattle, Washington and **Raymond J. Werner** of Chicago, Illinois represent the Section. The purpose of the act is to provide some uniformity to the law surrounding the granting of a security interest in rents generated by income producing property, the perfection of such security interests and the enforcement of such security interests. The issues that generate the most discussion involve the definition of rents, priorities involving security interests in rents and the cash proceeds of rents, and the extent to which the holder of a security interest in rents who enforces the security interest and collects the rents must utilize the rents for property preservation purposes or otherwise in accordance with the terms of the leases. The drafting committee is meeting on October 29 through 31 and comments may be provided to Mr. Waldman at iwaldman@coxcastle.com. The latest draft of the Uniform Act may be found at

<http://www.law.upenn.edu/bll/ulc/maripp/Oct2004MtgDraft.htm>.

NCCUSL Adopts Uniform Residential Mortgage Satisfaction Act

At its August 2004 Annual Meeting in Portland, Oregon, the National Conference of Commissioners on Uniform State Laws ("NCCUSL") approved the Uniform Residential Mortgage Satisfaction Act (the "Act"). The Act provides a comprehensive framework to govern the pay-off and release of mortgage loans secured by residential real property. The fundamental purpose of the Act is to create a realistic and uniform framework within which responsible mortgage lenders can satisfy their responsibility to record timely releases, while also protecting the reasonable expectations of mortgage borrowers. For a copy of the Act, please visit NCCUSL's web site at www.nccusl.org/Update.

EPA Proposes Federal Rule Outlining "All Appropriate Inquiries" Requirements under CERCLA

The Environmental Protection Agency ("EPA") has proposed a federal rule outlining the practices necessary to meet the "all appropriate inquiries" requirement of Section 101(35)(B) of the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"). The proposed rule would most directly affect persons purchasing commercial property and subsequently seeking to qualify for (1) the innocent landowner defense of CERCLA Sections 101(35) and 107(b)(3); (2) the bona fide prospective purchaser liability protection pursuant to CERCLA Sections 101(40) and 107(r); or (3) the contiguous property owner liability protection pursuant to CERCLA Section 107(q). The proposed rule would also affect persons conducting site characterization and assessments with the use of a Brownfield grant awarded under CERCLA Section 104(k)(2)(B). The proposed practices necessary to meet the "all appropriate inquiries" requirement include conducting the specific investigations contained in the rule, including an inquiry by an environmental professional, to identify conditions indicative of releases or threatened releases of hazardous substances. The proposed rule does not, however, limit or expand disclosure obligations under federal, state or local law. The comment period for the rule ended October 25, 2004.

Important Notice Regarding Reprinting of Real Estate Opinion Guidelines

The Summer 2003 issue of the Real Property, Probate and Trust Journal included an outstanding article on Real Estate Opinion Letter Guidelines co-authored by The American College of Real Estate Lawyers Attorneys' Opinion Committee and our Section's Committee on Legal Opinions in Real Estate Transactions. The Section recognizes the value of these Guidelines to our members and practitioners generally and realizes that they will be reprinted and used as models for opinion writing as well as for training and other purposes. However, because the ABA has agreed not to require the payment of royalties when the Guidelines are reprinted, it is essential that proper attribution be given to the ABA by including the following legend on the first page of all reprints: "Reprinted by permission from Real Property, Probate and Trust Journal, Vol. 38, No. 2, Summer 2003, Copyright 2003, American Bar Association".

Response to Senate Committee on Finance on Proposed Changes Addressing Abuses in the Nonprofit Section

In June, Senator Grassley, as Chairman of the Senate Committee on Finance, held hearings highlighting recent abuses by individuals and organizations operating in the nonprofit sector. At the same time, the Committee issued a "discussion draft" proposing a wide array of changes aimed at curbing these abuses. The proposed changes fall into three categories: amending the tax code to target and eliminate abusive actions by nonprofits and individuals, increasing disclosure to and enforcement by the IRS, and encouraging strong governance and best practices by nonprofit organizations. Proposals in the discussion draft include requiring nonprofits to file with the IRS every 5 years in order for the IRS to determine whether tax-exempt status should be retained, putting restrictions on donor advised funds, applying some private foundation self-dealing rules to public charities, improving the accuracy and timeliness of Form 990's (including requiring independent audits) and improving communication between the IRS and state government officials that regulate nonprofits. In July, the Committee held a roundtable discussion at which key individuals and organi-

