### IN THE HOUSE OF REPRESENTATIVES

#### HOUSE BILL NO. 568

#### BY WAYS AND MEANS COMMITTEE

AN ACT

,	111/11/01
2	RELATING TO FOREIGN LAWS; AMENDING TITLE 73, IDAHO CODE, BY THE ADDITION OF
3	A NEW CHAPTER 5, TITLE 73, IDAHO CODE, TO PROVIDE LEGISLATIVE INTENT, TO
4	DEFINE TERMS, TO PROVIDE FOR THE USE AND ENFORCEABILITY OF FOREIGN LAWS,
5	TO PROVIDE FOR CHOICE OF LAW IN CERTAIN INSTANCES, TO PROVIDE FOR JU-
6	RISDICTION IN CERTAIN INSTANCES, TO PROVIDE FOR FORUM NON CONVENIENS IN
7	CERTAIN INSTANCES, TO PROVIDE APPLICABILITY AND TO PROVIDE FOR CERTAIN
8	CONFLICTS.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Title 73, Idaho Code, be, and the same is hereby amended by the addition thereto of a <u>NEW CHAPTER</u>, to be known and designated as Chapter 5, Title 73, Idaho Code, and to read as follows:

# CHAPTER 5 APPLICATION OF FOREIGN LAWS

- 73-501. LEGISLATIVE INTENT. (1) It shall be the public policy of this state to protect its citizens from the application of foreign laws when the application of foreign law will result in the violation of a fundamental right guaranteed by the constitution of the United States or the constitution of the state of Idaho including, but not limited to, due process, freedom of religion, speech or press, and any right of privacy or marriage embodied in the constitution of the state of Idaho.
- (2) It shall be the public policy of this state to fully recognize the right to contract freely under the laws of this state and also to recognize that this right may be reasonably and rationally circumscribed pursuant to the state's interest to protect and promote fundamental rights and privileges granted under the constitution of the United States and the constitution of the state of Idaho including, but not limited to, due process, freedom of religion, speech or press, and any right of privacy or marriage embodied in the constitution of the state of Idaho.

## 73-502. DEFINITIONS. As used in this chapter:

- (1) "Court" means any court, board, tribunal, arbitration, administrative agency or other adjudicative or enforcement authority of this state.
- (2) "Foreign law" means any law, legal code or system of a jurisdiction outside of any state or territory of the United States including, but not limited to, international organizations and tribunals and applied by that jurisdiction's courts, administrative bodies or other formal or informal tribunals. For the purposes of this chapter, "foreign law" shall not mean, nor shall it include, any laws of the Indian tribes in this state.
- (3) "Religious organization" means any church, seminary, synagogue, temple, mosque, religious order, or religious corporation, association or

society whose identity is distinctive in terms of common religious creed, beliefs, doctrines, practices or rituals, of any faith or denomination, including any organization qualifying as a church or religious organization under section 501(c)(3) or 501(d) of the Internal Revenue Code.

 73-503. USE OF FOREIGN LAWS -- ENFORCEABILITY. Any court ruling or decision that violates the public policy of this state shall be void and unenforceable if the court bases its ruling or decision in the matter at issue in whole or in part on any foreign law that would not grant the parties affected by the ruling or decision the same fundamental liberties, rights and privileges guaranteed under the constitution of the United States and the constitution of the state of Idaho including, but not limited to, due process, freedom of religion, speech or press, and any right of privacy or marriage embodied in the constitution of the state of Idaho.

73-504. CHOICE OF LAW. A contract or contractual provision, if capable of segregation, that provides for the choice of foreign law to govern some or all of the disputes between the parties adjudicated by a court or by an arbitration panel arising from the contract mutually agreed upon that violates the public policy of this state shall be void and unenforceable if the foreign law chosen includes or incorporates any substantive or procedural law, as applied to the dispute at issue, that would not grant the parties the same fundamental liberties, rights, and privileges guaranteed under the constitution of the United States and the constitution of the state of Idaho including, but not limited to, due process, freedom of religion, speech or press, and any right of privacy or marriage embodied in the constitution of the state of Idaho.

73-505. JURISDICTION. A contract or contractual provision, if capable of segregation, that provides for jurisdiction for the purpose of granting the courts or arbitration panels in personam jurisdiction over the parties to adjudicate any disputes between the parties arising from the contract mutually agreed upon shall violate the public policy of this state and be void and unenforceable if the jurisdiction or arbitration panel chosen includes or incorporates any substantive or procedural foreign law, as applied to the dispute at issue, that would not guarantee the parties the same fundamental liberties, rights, and privileges guaranteed under the constitution of the United States and the constitution of the state of Idaho including, but not limited to, due process, freedom of religion, speech or press, and any right of privacy or marriage embodied in the constitution of the state of Idaho.

73-506. FORUM NON CONVENIENS. If a person of this state, subject to personal jurisdiction in this state, seeks to maintain litigation, arbitration, agency or similarly binding proceedings in this state and if the courts of this state find that granting a claim of forum non conveniens or a related claim violates or would likely violate a fundamental right guaranteed under the constitution of the United States and the constitution of the state of Idaho of the nonclaimant in the foreign forum with respect to the matter in dispute, the claim shall be denied.

73-507. APPLICABILITY. (1) Without prejudice to any legal right, this chapter shall not apply to a corporation, partnership, limited liability corporation, business association or other legal entity that contracts to subject itself to foreign law in a jurisdiction other than this state or the United States.

- (2) No court or arbitrator shall interpret the provisions of this chapter to limit the right of any person to the free exercise of religion as guaranteed by the first amendment to the constitution of the United States and section 4, article I, of the constitution of the state of Idaho. No court shall interpret the provisions of this act to require or authorize any court to adjudicate or prohibit any religious organization from adjudicating ecclesiastical matters including, but not limited to, the appointment, calling, discipline, dismissal, removal or excommunication of a member, officer, official, priest, nun, monk, pastor, rabbi, imam or other member of the clergy of the religious organization, or determination or interpretation of the doctrine of the religious organization where adjudication by a court would violate the establishment clause of the first amendment to the constitution of the United States and section 4, article I, of the constitution of the state of Idaho.
- 73-508. CONFLICT. This chapter shall not be interpreted by any court to conflict with any federal treaty or other international agreement to which the United States is a party to the extent that such treaty or international agreement preempts or is superior to state law on the matter at issue.