

H.B. 2003

TRUST LAW AMENDMENTS

Representative **Ben Ferry** proposes the following amendments:

1. Page 3, Line 73: After "Subsection (1)(a)," delete "the following" and insert "a creditor or other claimant of the settlor"
2. Page 3, Line 75: After "trust" delete the ":" and insert a period.
3. Page 3, Lines 76-79: Delete lines 76 through 79.
4. Page 3, Line 80: After "purposes of" delete "Subsections (2)(a)(i) and (ii)" and insert "Subsection (2)(a)"
5. Page 3, Line 87: After line 87, insert:
"(i) the claim is a judgment, order, decree, or other legally enforceable decision or ruling resulting from a judicial, arbitration, mediation, or administrative proceeding commenced prior to or within three years after the trust is created;"
6. Page 3, Line 88: Delete "(i)" and insert "(ii)"
7. Page 4, Line 91: Delete "(ii)" and insert "(iii)"
8. Page 4, Line 95: Delete "(iii)" and insert "(iv)"
9. Page 4, Line 96: After line 96, insert:
"(v) the claim is for a payment owed by a settlor under a child support judgment or order;"
10. Page 4, Lines 97-98: Delete lines 97 and 98
11. Page 4, Line 99: Delete "(v)" and insert "(vi)"
12. Page 4, Lines 100-116: Delete lines 100 through 116, and insert:
"(vii) the claim is for recovery of public assistance received by the

settlor allowed under Title 26, Chapter 19, Medical Benefits Recovery Act;

(viii) the claim is a tax or other amount owed by the settlor to any governmental entity;

(ix) the claim is by a spouse or former spouse of the settlor on account of an agreement or order for the payment of support or alimony or for a division or distribution of property;

(x)(A) the settlor transferred assets into the trust that:

(1) were listed in a written representation of the settlor's assets given to a claimant to induce the claimant to enter into a transaction or agreement with the settlor, or

(2) were transferred from the settlor's control in breach of any written agreement, covenant, or security interest between the settlor and the claimant; or

(B) without limiting the claimant's right to pursue assets not held by the trust, a claimant described in Subsection (x)(A) may only foreclose or execute upon an asset in the trust listed in the written representation described in subsection (x)(A)(1) or transferred in breach of a written agreement, covenant, or security interest as provided in subsection (x)(A)(2) to the extent of the settlor's interest in that asset when it was transferred to the trust or the equivalent value of that asset at the time of foreclosure or execution if the original asset was sold or traded by the trust; or

(xi) the claim is a judgment, award, order, sentence, fine, penalty, or other determination of liability of the settlor for conduct of the settlor constituting fraud, intentional infliction of harm, or a crime.

(d) The statute of limitations for actions to satisfy a claim or liability out of the settlor's beneficial interest in or transfer into trust under Subsections (2)(c)(i), (ii), (v), (vii), (viii), (ix), (x), and (xi) is the statute of limitations applicable to the underlying action specified in the subsection."

13. Page 5, Lines 131-138:

Delete lines 131 through 138

Renumber the remaining subsections accordingly.

14. Page 5, Line 147:

After "Subsection" delete "(5)" and insert "(4)"

15. Page 34, Line 1039:

After "agreement of the" delete "qualified"