

Senator Lyle W. Hillyard proposes the following substitute bill:

TRUST BUSINESS AMENDMENTS

2004 FOURTH SPECIAL SESSION

STATE OF UTAH

Sponsor: Lyle W. Hillyard

LONG TITLE

General Description:

This bill creates a section in the Uniform Trust Code for regulating foreign trustees.

Highlighted Provisions:

This bill:

- ▶ sets requirements for when a foreign corporate trustee is required to qualify as a foreign corporation doing business in this state;
- ▶ makes an exception for foreign cotrustees; and
- ▶ specifically allows a foreign trustee to receive distributions, hold, invest in, manage, or acquire property without qualifying as a foreign corporation.

Monies Appropriated in this Bill:

None

Other Special Clauses:

This bill provides an effective date.

Utah Code Sections Affected:

ENACTS:

75-7-1201, Utah Code Annotated 1953

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **75-7-1201** is enacted to read:



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Part 12. Foreign Trustees

75-7-1201. Foreign trustees.

(1) A foreign corporate trustee is required to qualify as a foreign corporation doing business in this state if it maintains the principal place of administration of any trust within the state.

(2) A foreign corporate cotrustee is not required to qualify in this state solely because its cotrustee maintains the principal place of administration in this state.

(3) Unless otherwise doing business in this state, local qualification by a foreign corporate trustee is not required in order for the trustee to receive distribution from a local estate or to hold, invest in, manage, or acquire property located in this state, or maintain litigation if the state of the principal place of business of the foreign corporate trustee provides substantially similar provisions applicable to trustees from this state.

(4) Local qualification by a foreign trustee other than a corporation is not required in order for the trustee to receive distribution from a local estate or to hold, invest in, manage, or acquire property located in this state or maintain litigation.

(5) Nothing in this section affects a determination of what other acts require qualification as doing business in this state.

Section 2. Effective date and retrospective operation.

(1) If approved by two-thirds of all the members elected to each house, this bill takes effect upon approval by the governor, or the day following the constitutional time limit of Utah Constitution Article VII, Section 8, without the governor's signature, or in the case of a veto, the date of veto override.

(2) This bill has retrospective operation to July 1, 2004.