

SPENDTHRIFT PROVISIONS

2018 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: V. Lowry Snow

Senate Sponsor: Lyle W. Hillyard

LONG TITLE

General Description:

This bill modifies application of spendthrift provisions.

Highlighted Provisions:

This bill:

▶ defines terms;

12a **↔ ▶ modifies spendthrift exceptions; ↔**

▶ provides an exception for victim's restitution; and

▶ makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

75-7-503, as enacted by Laws of Utah 2004, Chapter 89

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

Section 1. Section **75-7-503** is amended to read:

75-7-503. Exceptions to spendthrift provision.

(1) [H] As used in this section[-,"child"];

(a) "Child" includes any person for whom an order or judgment for child support has

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28 been entered in this or another state.

29 (b) "Restitution" means the same as that term is defined in Section 77-38a-102.

30 (c) "Victim" means the same as that term is defined in Section 77-38a-102.

31 (2) Even if a trust contains a spendthrift provision, the following may obtain from a
32 court an order attaching present or future distributions to ~~H~~→ [or for the benefit of] ←~~H~~
32a the beneficiary:

33 (a) a beneficiary's child who has a judgment or court order against the beneficiary for
34 support or maintenance[~~, or~~];

35 (b) a judgment creditor who has provided services for the protection of a beneficiary's
36 interest in the trust[~~, may obtain from a court an order attaching present or future distributions~~
37 to or for the benefit of the beneficiary.]; or

38 (c) a victim who has a judgment requiring the beneficiary to pay restitution in
39 accordance with Title 77, Chapter 38a, Crime Victims Restitution Act, or similar provision in
40 another state.

41 (3) A spendthrift provision is unenforceable against a claim of this state or the United
42 States to the extent a statute of this state or federal law so provides.

Legislative Review Note
Office of Legislative Research and General Counsel