



April 2, 2019

ENGROSSED SENATE BILL No. 265

DIGEST OF SB 265 (Updated April 1, 2019 12:20 pm - DI 133)

Citations Affected: IC 30-4.

Synopsis: Various trust matters. Defines "designated representative", "judicial proceeding", and "nonjudicial matter" for purposes of the trust code. Authorizes the establishment of legacy trusts. Prescribes the procedures for establishing a legacy trust and requirements for claims under a legacy trust. Provides that a court shall exercise jurisdiction over a legacy trust or a qualified disposition and adjudicate a case or controversy regarding the legacy trust, if the case or controversy is within the subject matter of the court. Adopts the uniform directed trust act, which allows for the terms of a trust to grant a person other than a trustee power over some aspect of the trust's administration. Provides that current law regarding the duties and liabilities of a trustee of a trust under the control of a third person applies to directions given to a trustee before July 1, 2019, by a person who has power under the terms of the trust to direct the trustee. Allows for the use of quiet trusts. Provides that an interested person may enter into a binding nonjudicial settlement agreement with respect to trust matters. Provides for nonjudicial account settlements.

Effective: July 1, 2019.

Head, Young M

(HOUSE SPONSORS — STEUERWALD, DVORAK)

January 7, 2019, read first time and referred to Committee on Judiciary.
February 7, 2019, amended, reported favorably — Do Pass.
February 21, 2019, read second time, amended, ordered engrossed.
February 22, 2019, engrossed.
February 25, 2019, read third time, passed. Yeas 42, nays 7.

HOUSE ACTION

March 4, 2019, read first time and referred to Committee on Judiciary.
April 1, 2019, reported — Do Pass.

ES 265—LS 6487/DI 128



April 2, 2019

First Regular Session of the 121st General Assembly (2019)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2018 Regular and Special Session of the General Assembly.

ENGROSSED SENATE BILL No. 265

A BILL FOR AN ACT to amend the Indiana Code concerning trusts and fiduciaries.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 30-4-1-2, AS AMENDED BY P.L.163-2018,
2 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2019]: Sec. 2. As used in this article:
4 (1) "Adult" means any person eighteen (18) years of age or older.
5 (2) "Affiliate" means a parent, descendant, spouse, spouse of a
6 descendant, brother, sister, spouse of a brother or sister,
7 employee, director, officer, partner, joint venturer, a corporation
8 subject to common control with the trustee, a shareholder, or
9 corporation who controls the trustee or a corporation controlled
10 by the trustee other than as a fiduciary, an attorney, or an agent.
11 (3) "Beneficiary" has the meaning set forth in IC 30-2-14-2.
12 (4) "Breach of trust" means a violation by the trustee of any duty
13 which is owed to the settlor or beneficiary.
14 (5) "Charitable trust" means a trust in which all the beneficiaries
15 are the general public or organizations, including trusts,
16 corporations, and associations, and that is organized and operated
17 wholly for religious, charitable, scientific, public safety testing,

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1 literary, or educational purposes. The term does not include
 2 charitable remainder trusts, charitable lead trusts, pooled income
 3 funds, or any other form of split-interest charitable trust that has
 4 at least one (1) noncharitable beneficiary.

5 (6) "Court" means a court having jurisdiction over trust matters.

6 (7) **"Designated representative" means a person who:**

7 (A) **is authorized, under the terms of a trust, to represent**
 8 **the interests of a beneficiary;**

9 (B) **delivers to the trustee a written acceptance of**
 10 **appointment as the designated representative; and**

11 (C) **is appointed or assigned to act and communicate on**
 12 **behalf of that beneficiary in one (1) or more of the**
 13 **following ways:**

14 (i) **The person is expressly appointed by the settlor, in the**
 15 **trust instrument or under a power reserved by the**
 16 **settlor, to act as a designated representative for one (1)**
 17 **or more beneficiaries of a trust.**

18 (ii) **The person is appointed as a designated**
 19 **representative by the trustee or by another authorized**
 20 **person under procedures provided in the trust**
 21 **instrument or under this subdivision.**

22 (iii) **The person is authorized or directed under the trust**
 23 **instrument to represent or bind one (1) or more**
 24 **beneficiaries in connection with a judicial proceeding or**
 25 **nonjudicial matter.**

26 (iv) **The person is appointed by a beneficiary to act as a**
 27 **designated representative of that beneficiary.**

28 **Notwithstanding any contrary provision in the trust**
 29 **instrument or in any other writing that appoints a designated**
 30 **representative, a designated representative is a fiduciary and**
 31 **has a duty to act in good faith in representing the best**
 32 **interests of the beneficiary being represented, and to refrain**
 33 **from willful misconduct.**

34 ~~(7)~~ (8) "Income", except as otherwise stated in a trust agreement,
 35 has the meaning set forth in IC 30-2-14-4.

36 ~~(8)~~ (9) "Income beneficiary" has the meaning set forth in
 37 IC 30-2-14-5.

38 ~~(9)~~ (10) "Inventory value" means the cost of property to the settlor
 39 or the trustee at the time of acquisition or the market value of the
 40 property at the time it is delivered to the trustee, or the value of
 41 the property as finally determined for purposes of an estate or
 42 inheritance tax.



- 1 **(11) "Judicial proceeding" means a proceeding involving a**
 2 **trust before a court having subject matter jurisdiction of the**
 3 **trust, whether or not the administration of the trust is**
 4 **governed by Indiana law.**
- 5 ~~(10)~~ **(12) "Minor" means any person under the age of eighteen**
 6 **(18) years.**
- 7 ~~(11)~~ **(13) "No contest provision" refers to a provision of a trust**
 8 **instrument that, if given effect, would reduce or eliminate the**
 9 **interest of a beneficiary of the trust who, directly or indirectly,**
 10 **initiates or otherwise pursues:**
- 11 (A) an action to contest the validity of:
- 12 (i) the trust; or
- 13 (ii) the terms of the trust;
- 14 (B) an action to set aside or vary any term of the trust; or
- 15 (C) any other act to frustrate or defeat the settlor's intent as
- 16 expressed in the terms of the trust.
- 17 **(14) "Nonjudicial matter" includes but is not limited to any of**
 18 **the following matters or actions relating to a trust or its**
 19 **administration:**
- 20 (A) A trustee's provision of accounting statements or
- 21 **notices to beneficiaries under IC 30-2-14, IC 30-2-15, or**
 22 **this article.**
- 23 (B) The solicitation, execution, and delivery of waivers of
- 24 **notice, consent, or objections from beneficiaries under**
 25 **IC 30-2-14, IC 30-2-15, or this article.**
- 26 (C) The solicitation, execution, and delivery of a consent,
- 27 **acquiescence, ratification, release, or discharge by a**
 28 **beneficiary under IC 30-4-3-19.**
- 29 ~~(12)~~ **(15) "Person" has the meaning set forth in IC 30-2-14-9.**
- 30 ~~(13)~~ **(16) "Personal representative" means an executor or**
 31 **administrator of a decedent's or absentee's estate, guardian of the**
 32 **person or estate, guardian ad litem or other court appointed**
 33 **representative, next friend, parent or custodian of a minor,**
 34 **attorney in fact, or custodian of an incapacitated person (as**
 35 **defined in IC 29-3-1-7.5).**
- 36 ~~(14)~~ **(17) "Principal" has the meaning set forth in IC 30-2-14-10.**
- 37 ~~(15)~~ **(18) "Qualified beneficiary" means:**
- 38 (A) a beneficiary who, on the date the beneficiary's
- 39 **qualification is determined:**
- 40 (i) is a distributee or permissible distributee of trust income
- 41 **or principal;**
- 42 (ii) would be a distributee or permissible distributee of trust



- 1 income or principal if the interest of the distributee
 2 described in item (i) terminated on that date;
 3 (iii) would be a distributee or permissible distributee of trust
 4 income or principal if the trust terminated on that date;
 5 (iv) is a charitable organization expressly designated to
 6 receive distributions under the terms of a charitable trust;
 7 (v) is a person appointed to enforce a trust for the care of an
 8 animal under IC 30-4-2-18; or
 9 (vi) is a person appointed to enforce a trust for a
 10 noncharitable purpose under IC 30-4-2-19; or
 11 (B) the attorney general, if the trust is a charitable trust having
 12 its principal place of administration in Indiana.
- 13 ~~(16)~~ **(19)** "Remainderman" means a beneficiary entitled to
 14 principal, including income which has been accumulated and
 15 added to the principal.
- 16 ~~(17)~~ **(20)** "Settlor" means a person who establishes a trust
 17 including the testator of a will under which a trust is created.
- 18 ~~(18)~~ **(21)** "Terms of a trust", "terms of the trust", or "terms of a
 19 charitable trust" means the manifestation of the intent of a settlor
 20 or decedent with respect to the trust, expressed in a manner that
 21 admits of its proof in a judicial proceeding, whether by written or
 22 spoken words or by conduct.
- 23 ~~(19)~~ **(22)** "Trust estate" means the trust property and the income
 24 derived from its use.
- 25 ~~(20)~~ **(23)** "Trust for a benevolent public purpose" means a
 26 charitable trust (as defined in subdivision (5)), a split-interest
 27 trust (as defined in Section 4947 of the Internal Revenue Code),
 28 a perpetual care fund or an endowment care fund established
 29 under IC 23-14-48-2, a prepaid funeral plan or funeral trust
 30 established under IC 30-2-9, a funeral trust established under
 31 IC 30-2-10, a trust or an escrow account created from payments
 32 of funeral, burial services, or merchandise in advance of need
 33 described in IC 30-2-13, and any other form of split-interest
 34 charitable trust that has both charitable and noncharitable
 35 beneficiaries, including but not limited to charitable remainder
 36 trusts, charitable lead trusts, and charitable pooled income funds.
- 37 ~~(21)~~ **(24)** "Trust instrument" means an instrument, agreement, or
 38 other written document executed by the settlor that contains the
 39 terms of the trust, including any amendments to the terms of the
 40 trust.
- 41 ~~(22)~~ **(25)** "Trust property" means property either placed in trust or
 42 purchased or otherwise acquired by the trustee for the trust



1 regardless of whether the trust property is titled in the name of the
2 trustee or the name of the trust.

3 ~~(23)~~ **(26)** "Trustee" has the meaning set forth in IC 30-2-14-13.

4 SECTION 2. IC 30-4-3-2 IS AMENDED TO READ AS FOLLOWS
5 [EFFECTIVE JULY 1, 2019]: Sec. 2. (a) The settlor may provide in the
6 terms of the trust that the interest of a beneficiary may not be either
7 voluntarily or involuntarily transferred before payment or delivery of
8 the interest to the beneficiary by the trustee.

9 (b) Except as otherwise provided in subsection (c), if the settlor is
10 also a beneficiary of the trust, a provision restraining the voluntary or
11 involuntary transfer of ~~his~~ **the settlor's** beneficial interest will not
12 prevent ~~his~~ **the settlor's** creditors from satisfying claims from ~~his~~ **the**
13 **settlor's** interest in the trust estate.

14 (c) Subsection (a) applies to a trust that meets both of the following
15 requirements, regardless of whether or not the **A protective provision**
16 **similar to that authorized by subsection (a) prevents a creditor of**
17 **the settlor from satisfying a claim from the settlor's interest in the**
18 **trust estate when the settlor is also a beneficiary of the trust if the**
19 **trust is one (1) of the following:**

20 **(1) A trust that meets both of the following requirements:**

21 ~~(A)~~ **(A)** The trust is a qualified trust under 26 U.S.C. 401(a).

22 ~~(B)~~ **(B)** The limitations on each beneficiary's control over the
23 beneficiary's interest in the trust complies with 29 U.S.C.
24 1056(d).

25 **(2) A legacy trust established under IC 30-4-8.**

26 (d) A trust containing terms authorized under subsection (a) may be
27 referred to wherever appropriate as a trust with protective provisions.

28 SECTION 3. IC 30-4-3-6, AS AMENDED BY P.L.5-2015,
29 SECTION 63, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
30 JULY 1, 2019]: Sec. 6. (a) The trustee has a duty to administer a trust
31 according to the terms of the trust.

32 (b) Unless the terms of the trust or the provisions of section 1.3 of
33 this chapter provide otherwise, the trustee also has a duty to do the
34 following:

35 (1) Administer the trust in a manner consistent with IC 30-4-3.5.

36 (2) Take possession of and maintain control over the trust
37 property.

38 (3) Preserve the trust property.

39 (4) Make the trust property productive for both the income and
40 remainder beneficiary. As used in this subdivision, "productive"
41 includes the production of income or investment for potential
42 appreciation.



- 1 (5) Keep the trust property separate from the trustee's individual
 2 property and separate from or clearly identifiable from property
 3 subject to another trust.
- 4 (6) Maintain clear and accurate accounts with respect to the trust
 5 estate.
- 6 (7) **Except as provided in subsection (c)**, keep the following
 7 beneficiaries reasonably informed about the administration of the
 8 trust and of the material facts necessary for the beneficiaries to
 9 protect their interests:
- 10 (A) A current income beneficiary.
 11 (B) A beneficiary who will become an income beneficiary
 12 upon the expiration of the term of the current income
 13 beneficiary, if the trust has become irrevocable by:
- 14 (i) the terms of the trust instrument; or
 15 (ii) the death of the settlor.
- 16 A trustee satisfies the requirements of this subdivision by
 17 providing a beneficiary described in clause (A) or (B), upon the
 18 beneficiary's written request, access to the trust's accounting and
 19 financial records concerning the administration of trust property
 20 and the administration of the trust.
- 21 (8) Upon:
- 22 (A) the trust becoming irrevocable:
 23 (i) by the terms of the trust instrument; or
 24 (ii) by the death of the settlor; and
 25 (B) the written request of an income beneficiary or
 26 remainderman;
- 27 promptly provide a copy of the complete trust instrument to the
 28 income beneficiary or remainderman. **This subdivision does not**
 29 **prohibit the terms of the trust from requiring the trustee to**
 30 **separately provide each beneficiary only the portions of the**
 31 **trust instrument that describe or pertain to that beneficiary's**
 32 **interest in the trust and the administrative provision of the**
 33 **trust instrument that pertain to all beneficiaries of the trust.**
- 34 (9) Take whatever action is reasonable to realize on claims
 35 constituting part of the trust property.
- 36 (10) Defend actions involving the trust estate.
- 37 (11) Supervise any person to whom authority has been delegated.
- 38 (12) Determine the trust beneficiaries by acting on information:
 39 (A) the trustee, by reasonable inquiry, considers reliable; and
 40 (B) with respect to heirship, relationship, survivorship, or any
 41 other issue relative to determining a trust beneficiary.
- 42 (c) **The terms of a trust may expand, restrict, eliminate, or**



1 otherwise vary the right of a beneficiary to be informed of the
 2 beneficiary's interest in a trust for a period of time, including a
 3 period of time related to:

- 4 (1) the age of the beneficiary;
 5 (2) the lifetime of a settlor or the spouse of a settlor;
 6 (3) a term of years or a period of time ending on a specific
 7 date; or
 8 (4) a specific event that is certain to occur.

9 (d) During any period of time that the trust instrument restricts
 10 or eliminates the right of a beneficiary to be informed of the
 11 beneficiary's interest in a trust, a designated representative for the
 12 beneficiary:

- 13 (1) shall represent that beneficiary and bind that beneficiary's
 14 interests for purposes of any judiciary proceeding or
 15 nonjudicial matter involving the trust unless the court finds,
 16 after a hearing upon notice, that a conflict of interest exists
 17 between the beneficiary and the designated representative;
 18 and
 19 (2) has the authority to initiate or defend and participate in
 20 any proceeding relating to the trust under this article or
 21 under IC 30-2 on behalf of the beneficiary.

22 An alleged conflict of interest between a beneficiary and the
 23 beneficiary's designated representative may be asserted to the
 24 court by the beneficiary whose right to be informed of the
 25 beneficiary's interest in a trust is restricted or eliminated in the
 26 trust instrument or by any other person authorized to represent
 27 and bind that beneficiary's interest under IC 30-4-6-10.5.

28 (e) If:

- 29 (1) a beneficiary is an adult and has not been adjudicated to
 30 be an incapacitated person;
 31 (2) the trust instrument restricts or eliminates the right of the
 32 beneficiary to be informed of the beneficiary's interest in a
 33 trust; and
 34 (3) the beneficiary discovers information about the
 35 beneficiary's interest in the trust from sources other than the
 36 trustee;

37 subsections (c) and (e) do not prohibit the beneficiary from
 38 demanding and receiving information about the trust and its
 39 administration under subsection (b)(7), including a copy of all
 40 relevant portions of the trust instrument, or an accounting or
 41 statement regarding the trust under IC 30-4-5-12(c). The
 42 beneficiary may also initiate and participate in any proceeding



1 **against or with the trustee under this chapter.**

2 SECTION 4. IC 30-4-3-9 IS AMENDED TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2019]: Sec. 9. (Duty of Trustee under Control
4 of Third Person)

5 **(a) This section applies to directions given to a trustee before**
6 **July 1, 2019, by a person who has power under the terms of the**
7 **trust to direct the trustee.**

8 ~~(a)~~ **(b)** If the terms of the trust give a person a power to direct the
9 trustee in the administration of the trust and those terms expressly
10 direct the trustee to rely, or relieve the trustee from liability if he does
11 rely, on that person's directions, the trustee may do so and will incur no
12 liability for any loss to the trust estate.

13 ~~(b)~~ **(c)** If the terms of the trust give a person a power to direct the
14 trustee in the administration of the trust, except as provided in
15 subsection ~~(a)~~ **(b)**: ~~of this section~~:

16 (1) If the person holds the power as a fiduciary, the trustee has a
17 duty to refuse to comply with any direction which he knows or should
18 know would constitute a breach of a duty owed by that person as a
19 fiduciary.

20 (2) If the person holds the power solely for his own benefit, the
21 trustee may refuse to comply only if the attempted exercise of the
22 power violates the terms of the trust with respect to that power.

23 SECTION 5. IC 30-4-3-24.5, AS ADDED BY P.L.238-2005,
24 SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
25 JULY 1, 2019]: Sec. 24.5. (a) This section does not apply to an
26 easement for conservation or preservation.

27 (b) This subsection applies to a trust consisting of trust property
28 having a total value of less than seventy-five thousand dollars
29 (\$75,000). Unless the terms of the trust provide otherwise, the trustee
30 may terminate the trust:

31 (1) if the trustee concludes the value of the trust property is
32 insufficient to justify the cost of administration; and

33 (2) after providing notice of the trust termination to qualified
34 beneficiaries.

35 **(c) The trustee may propose the termination of a trust by**
36 **written notice to qualified beneficiaries if the trustee, upon review**
37 **of surrounding circumstances, concludes that continuation of the**
38 **trust on its existing terms would be contrary to the economic best**
39 **interest of the trust estate and that early termination would be in**
40 **the best interests of the beneficiaries consistent with the settlor's**
41 **intent. This trust termination shall occur upon receipt of written**
42 **consent of all qualified beneficiaries.**



1 ~~(c)~~ **(d)** The court may:

2 (1) modify or terminate a trust; or

3 (2) remove the trustee and appoint a different trustee;

4 if the court determines that the value of the trust property is insufficient
5 to justify the cost of administration. If a trust terminates under this
6 subsection, the court shall direct the trustee to distribute the trust
7 property in a manner consistent with the purposes of the trust.

8 ~~(d)~~ **(e)** If a trust terminates under subsection (b), the trustee shall
9 distribute the trust property in a manner consistent with the purposes
10 of the trust.

11 SECTION 6. IC 30-4-5-14.5 IS ADDED TO THE INDIANA CODE
12 AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE JULY
13 1, 2019]: **Sec. 14.5. (a) A trustee may obtain a nonjudicial**
14 **settlement of its accounts in accordance with subsection (b) when:**

15 **(1) a trust terminates pursuant to the terms of the trust;**

16 **(2) a small trust terminates pursuant to IC 30-4-3-24.5;**

17 **(3) a trustee resigns or is removed; or**

18 **(4) a trustee seeks discharge of an interim accounting period**
19 **when the trust is continuing.**

20 **(b) A trustee who elects to proceed under this section shall**
21 **provide the following to the qualified beneficiaries of the trust and**
22 **a successor trustee, if applicable, within a reasonable time after**
23 **termination of the trust pursuant to its terms, the resignation or**
24 **removal of the trustee, or the end of the period for which the**
25 **trustee is seeking discharge:**

26 **(1) A statement showing the fair market value of the new**
27 **assets to be distributed from a terminating trust or a**
28 **successor trustee.**

29 **(2) A trust accounting for the prior three (3) years showing all**
30 **receipts and disbursements and inventory value of the net**
31 **assets.**

32 **(3) An estimate for any items reasonably anticipated to be**
33 **received or disbursed.**

34 **(4) The amount of any fees, including trustee fees, remaining**
35 **to be paid.**

36 **(5) Notice that the trust is terminating, or that the trustee has**
37 **resigned or been removed, the time period for which the**
38 **trustee seeks discharge of its accounts, and a statement**
39 **providing that claims against a trustee under IC 30-4-6-12**
40 **and IC 30-4-6-14, if applicable, shall be barred if no**
41 **objections are received within the time period described in**
42 **subsection (c).**



1 **(6) The name and mailing address of the trustee.**

2 **(7) The name and telephone number of a person who may be**
3 **contacted for additional information.**

4 **The trustee may also provide the statement and notice described in**
5 **this subsection to any other person who the trustee reasonably**
6 **believes may have an interest in the trust.**

7 **(c) If, after receiving the notice and trust information described**
8 **in subsection (b), a qualified beneficiary objects to a disclosed act**
9 **or omission, the qualified beneficiary shall provide written notice**
10 **of the objection to the trustee not later than sixty (60) days after**
11 **the notice was sent by the trustee. If no written objection is**
12 **provided in the sixty (60) day time period, the information**
13 **provided under subsection (b) shall be considered approved by the**
14 **recipient. The trustee shall, in the case of a trust terminating**
15 **pursuant to the terms of the trust or the trustee's resignation or**
16 **removal, within a reasonable period of time following the**
17 **expiration of the sixty (60) day time period, distribute the assets as**
18 **provided in the trust or to the successor trustee. If a qualified**
19 **beneficiary gives the trustee a written objection within the**
20 **applicable sixty (60) day time period, the trustee or the qualified**
21 **beneficiary may:**

22 **(1) submit the written objection to the court for resolution**
23 **and charge the expense of commencing a proceeding to the**
24 **trust; or**

25 **(2) resolve the objection by a nonjudicial settlement**
26 **agreement under section 25 of this chapter, or otherwise.**

27 **Any agreement entered into pursuant to subdivision (2) may**
28 **include a release, an indemnity clause, or both, on the part of the**
29 **beneficiary against the trustee relating to the trust. If the parties**
30 **agree to a nonjudicial settlement agreement under section 25 of**
31 **this chapter, any related expenses shall be charged to the trust.**
32 **Upon a resolution of an objection under this subsection, within a**
33 **reasonable period of time, the trustee shall distribute the**
34 **remaining trust assets as provided in the trust or to the successor**
35 **trustee.**

36 **(d) The trustee may rely upon the written statement of a person**
37 **receiving notice that the person does not object.**

38 **(e) When a trustee distributes assets of a terminating trust or to**
39 **a successor trustee after complying with the provisions of this**
40 **article and having received no objections, each person who**
41 **received notice and either consented or failed to object pursuant to**
42 **this section is barred from:**



1 (1) bringing a claim against the trustee or challenging the
 2 validity of the trust to the same extent and with the same
 3 preclusive effect as if the court had entered a final order
 4 approving the trustee's final account; or

5 (2) bringing a claim against the trustee for the period of such
 6 interim accounts to the same extent and with the same
 7 preclusive effect as if the court had entered a final order
 8 approving the trustee's interim accounts.

9 (f) A trustee may not request that a beneficiary indemnify the
 10 trustee against loss in exchange for the trustee forgoing a request
 11 to the court to approve its accounts at the time that the trust
 12 terminates, or at the time the trustee resigns or is removed, except
 13 as agreed upon by the parties pursuant to subsection (c).

14 (g) The court that exercises probate jurisdiction shall have
 15 exclusive jurisdiction over matters under this section.

16 (h) IC 30-4-6-10.5 shall apply to this section.

17 (i) Nothing in this section shall preclude a trustee from
 18 proceeding under IC 30-4-3-18(b) to have the trustee's accounts
 19 reviewed and settled by the court.

20 SECTION 7. IC 30-4-5-25 IS ADDED TO THE INDIANA CODE
 21 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 22 1, 2019]: **Sec. 25. (a)** As used in this section, "interested person"
 23 means a person whose consent would be required to achieve a
 24 binding settlement were the settlement to be approved by the court.

25 (b) Except as provided in subsection (c), an interested person
 26 may enter into a binding nonjudicial settlement agreement with
 27 respect to any matter involving a trust. This procedure is not
 28 intended to foreclose or limit any other procedure for settlement
 29 available under other applicable law.

30 (c) A nonjudicial settlement agreement is valid only to the extent
 31 it does not violate a material purpose of the trust and includes
 32 terms and conditions that could be properly approved by the court
 33 under this article or other applicable law. A nonjudicial settlement
 34 may not be used to produce a result not authorized by other
 35 provisions of this article, including but not limited to terminating
 36 or modifying a trust in an impermissible manner.

37 (d) Subject to subsection (c), matters that may be resolved by a
 38 nonjudicial settlement agreement include the following:

- 39 (1) The interpretation or construction of the terms of a trust.
 40 (2) The approval of a trustee's report or accounting or waiver
 41 of the preparation of a trustee's report or accounting.
 42 (3) Direction to a trustee to refrain from performing a



- 1 particular act or the grant to a trustee of any necessary or
- 2 desirable power.
- 3 (4) The resignation or appointment of a trustee and the
- 4 determination of a trustee's compensation.
- 5 (5) Transfer of a trust's principal place of administration.
- 6 (6) Liability or release of a trustee for an action relating to a
- 7 trust.
- 8 (7) The criteria for distribution to a beneficiary where a
- 9 trustee is given discretion.
- 10 (8) The resolution of a dispute arising out of the
- 11 administration or distribution of a trust.
- 12 (9) An investment action.
- 13 (10) The appointment of and powers granted to a directing
- 14 party of a trust protector.
- 15 (11) Direction to a directing party or to a trust protector to
- 16 perform or refrain from performing a particular act or the
- 17 grant of a power to a directing party or trust protector.

18 (e) Before or after the parties enter into a nonjudicial settlement
 19 agreement, an interested person may request the court to approve
 20 a nonjudicial settlement agreement to determine whether the
 21 representation under IC 30-4-6-10.5 was adequate and to
 22 determine whether the agreement contains terms and conditions
 23 the court would approve.

24 SECTION 8. IC 30-4-6-10.5, AS ADDED BY P.L.238-2005,
 25 SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 26 JULY 1, 2019]: Sec. 10.5. (a) Except as provided in the terms of a
 27 trust, and to the extent there is not a conflict of interest between the
 28 representative and the person represented or among those being
 29 represented:

- 30 (1) a guardian may represent and bind the protected person who
- 31 is subject to the guardianship;
- 32 (2) an attorney in fact who has authority to act with respect to the
- 33 particular question or dispute may represent and bind the
- 34 principal;
- 35 (3) a trustee may represent and bind the beneficiaries of the trust;
- 36 (4) a personal representative of a decedent's estate may represent
- 37 and bind persons interested in the estate; ~~and~~
- 38 (5) a designated representative appointed for a beneficiary
- 39 under a provision in a trust instrument may represent and
- 40 bind the beneficiary of the trust; and
- 41 ~~(5)~~ (6) a parent may represent and bind the parent's minor,
- 42 unborn, or not yet adopted child if a guardian for the child has not



- 1 been appointed;
2 with regard to a particular question or dispute.
- 3 (b) The holder of a general power of appointment, including a
4 general testamentary power of appointment, may represent and bind
5 persons whose interests are subject to the power of appointment,
6 including:
- 7 (1) permissible appointees; and
8 (2) takers in default.
- 9 (c) Unless otherwise represented:
- 10 (1) a minor;
11 (2) an incapacitated person;
12 (3) an unborn or a not yet adopted child; or
13 (4) a person whose identity or location is unknown and not
14 reasonably ascertainable;
- 15 may be represented by and bound by another person who has a
16 substantially identical interest with respect to the particular question or
17 dispute but only to the extent there is not a conflict of interest between
18 the representative and the person represented.
- 19 (d) If the court determines that an interest is not represented under
20 this section or that the otherwise available representation might be
21 inadequate, the court may appoint a guardian ad litem to receive notice,
22 give consent, and otherwise represent, bind, and act on behalf of:
- 23 (1) a minor;
24 (2) an incapacitated person;
25 (3) an unborn child; or
26 (4) a person whose identity or location is unknown.
- 27 If not precluded by conflict of interest, a guardian ad litem may be
28 appointed to represent several persons or interests. A guardian ad litem
29 may act on behalf of the person represented with respect to any matter
30 arising under this title, regardless of whether a judicial proceeding
31 concerning the trust is pending. In making decisions, a guardian ad
32 litem may consider general benefits accruing to the living members of
33 the family of the persons represented.
- 34 (e) Notice to a person who may represent and bind another person
35 under this section has the same effect as if notice were given directly
36 to the other person.
- 37 (f) The consent of a person who may represent and bind another
38 person under this section is binding on the person represented unless
39 the person represented objects to the representation before the consent
40 would have become effective.
- 41 SECTION 9. IC 30-4-8 IS ADDED TO THE INDIANA CODE AS
42 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY



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1, 2019]:

Chapter 8. Legacy Trusts

Sec. 1. (a) Subject to the limitations set forth in subsection (b), this chapter applies to:

- (1) qualified dispositions to legacy trusts; and**
 - (2) dispositions by transferors who are trustees;**
- that are made after June 30, 2019.**

(b) This chapter does not apply to:

- (1) any assets that are listed on an application or financial statement completed by the transferor and which is submitted to a lender in connection with a request to obtain or maintain credit from the lender; or**
- (2) any assets of a legacy trust that are listed on an application or financial statement completed on behalf of the legacy trust and which is submitted to a lender in connection with a request to obtain or maintain credit from the lender on behalf of the legacy trust.**

In the event that assets described in subsection (b)(1) are later transferred to a legacy trust and a default occurs under the loan or extension of credit, either before or after the transfer or disposition under the legacy trust, the lender shall be entitled to proceed against any assets listed on the applications or financial statements which were submitted in connection with the loan, or any modifications, amendments, or renewals of the loan. Nothing in this chapter shall prohibit such action. A change in the character, form, or ownership of the assets described in subsection (b)(1) shall in no way make subsection (b)(1) inapplicable.

Sec. 2. Unless the context requires otherwise, the following definitions apply throughout this chapter:

- (1) "Claim" means a right to payment, regardless of whether the right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, immature, disputed, undisputed, legal, equitable, secured, or unsecured.**
- (2) "Creditor" means a person who has a claim against the transferor.**
- (3) "Debt" means liability on a claim.**
- (4) "Disposition" means a transfer, conveyance, or assignment of property, including a change in the legal ownership of property that occurs when a trustee is substituted for another trustee or when at least one (1) trustee is added. The term also includes the exercise of a power that causes a transfer of property to a trustee. However, the term does not include the**



- 1 release or relinquishment of an interest in property that, until
 2 the release or relinquishment, was the subject of a qualified
 3 disposition.
- 4 (5) "Investment decision" means the retention, purchase, sale,
 5 exchange, tender, or other transaction affecting the ownership
 6 of or rights in an investment.
- 7 (6) "Legacy trust" means an irrevocable trust established
 8 under section 3 of this chapter.
- 9 (7) "Lender" means a company or entity that extends credit,
 10 including but not limited to a financial institution (as defined
 11 by IC 28-1-1-3(1)), a company or entity that extends credit
 12 under IC 24-4.4 or IC 24-4.5, or the successors and assigns of
 13 the company or entity.
- 14 (8) "Person" means an individual at least eighteen (18) years
 15 of age, a corporation, a trust, a limited liability company, a
 16 limited liability partnership, a partnership, a governmental
 17 entity, the state, or a political subdivision of the state.
- 18 (9) "Property" means real property, personal property, or an
 19 interest in real or personal property.
- 20 (10) "Qualified affidavit" means a sworn affidavit executed
 21 under section 5 of this chapter.
- 22 (11) "Qualified disposition" means a disposition by a
 23 transferor to a legacy trust.
- 24 (12) "Qualified trustee" means a person qualified to serve as
 25 the trustee of a legacy trust under section 6 of this chapter.
- 26 (13) "Transferor" means a person who as:
 27 (A) an owner of property;
 28 (B) a holder of a power of appointment that authorizes the
 29 holder to appoint in favor of the holder, the holder's
 30 creditors, the holder's estate, or the creditors of the
 31 holder's estate; or
 32 (C) a trustee;
 33 directly or indirectly makes a disposition or causes a
 34 disposition to be made.
- 35 (14) "Trust director" means a person given authority by the
 36 terms of a legacy trust to direct, consent to, or disapprove
 37 actual or proposed investment decisions, distribution
 38 decisions, or other decisions related to property in a legacy
 39 trust.
- 40 **Sec. 3. A legacy trust is established by:**
 41 (1) designating in writing in the trust that the trust is a legacy
 42 trust established under this chapter;



- 1 (2) including the terms required by section 4 of this chapter in
- 2 the legacy trust; and
- 3 (3) delivering a qualified affidavit containing the statements
- 4 required by section 5 of this chapter to the qualified trustee.
- 5 **Sec. 4. A legacy trust must do the following:**
- 6 (1) Provide for the appointment of at least one (1) qualified
- 7 trustee for the property that is the subject of a qualified
- 8 disposition.
- 9 (2) Expressly incorporate Indiana law to govern the validity,
- 10 construction, and administration of the trust.
- 11 (3) Be irrevocable.
- 12 (4) Provide that the interests of the transferor or beneficiary
- 13 in the trust property or the income from the trust property
- 14 may not voluntarily or involuntarily be transferred, assigned,
- 15 pledged, or mortgaged before the qualified trustee actually
- 16 distributes the property or income to the beneficiary.
- 17 **Sec. 5. (a) A qualified affidavit must be signed under the**
- 18 **penalties of perjury, and state the following:**
- 19 (1) That the transferor has full right, title, and authority to
- 20 transfer the property to the legacy trust.
- 21 (2) That the transfer of the property to the legacy trust will
- 22 not render the transferor insolvent.
- 23 (3) That the transferor does not intend to defraud a creditor
- 24 by transferring the property to the legacy trust.
- 25 (4) That there are no pending or threatened court actions
- 26 against the transferor other than the court actions identified
- 27 by the transferor and attached to the qualified affidavit.
- 28 (5) That the transferor is not involved in any administrative
- 29 proceedings other than the administrative proceedings
- 30 identified by the transferor and attached to the qualified
- 31 affidavit.
- 32 (6) That the transferor does not contemplate filing for relief
- 33 under the federal bankruptcy code.
- 34 (7) That the property transferred to the legacy trust is not
- 35 derived from unlawful activities.
- 36 **(b) Except as provided in subsection (c), a qualified affidavit**
- 37 **must be signed by the transferor.**
- 38 **(c) In the case of a disposition by a transferor who is a trustee,**
- 39 **the qualified affidavit must be signed by the transferor who made**
- 40 **the original disposition to the trustee. A qualified affidavit signed**
- 41 **under this subsection must state the facts as of the time of the**
- 42 **original disposition.**



1 (d) If a transferor is a married individual at the time a qualified
 2 affidavit is signed, the transferor shall provide a copy of the
 3 qualified affidavit to the transferor's spouse.

4 Sec. 6. (a) A person may serve as a qualified trustee of a legacy
 5 trust if the person is not the transferor and satisfies either of the
 6 following requirements:

7 (1) In the case of an individual, the individual is a resident of
 8 Indiana.

9 (2) In all other cases, the person is:

10 (A) authorized by Indiana law to act as a trustee; and

11 (B) subject to the supervision of:

12 (i) the department of financial institutions; or

13 (ii) the federal Office of the Comptroller of the
 14 Currency, the Federal Deposit Insurance Corporation,
 15 the Board of Governors of the Federal Reserve System,
 16 or any successor to these agencies.

17 (b) A qualified trustee shall do the following:

18 (1) Maintain or arrange for providing custody of the property
 19 subject to the qualified disposition in Indiana.

20 (2) Maintain complete and accurate records for the legacy
 21 trust on an exclusive or nonexclusive basis.

22 (3) Prepare or arrange for the preparation of all required tax
 23 returns for the legacy trust.

24 (4) Materially participate in the administration of the legacy
 25 trust.

26 Sec. 7. (a) Except as provided in section 8 of this chapter, no
 27 cause of action of any kind, including a cause of action to enforce
 28 a judgment, may be brought for:

29 (1) an attachment or other provisional remedy against
 30 property that is the subject of a qualified disposition to a
 31 legacy trust; or

32 (2) the avoidance of a qualified disposition to a legacy trust.

33 The protections provided to a qualified disposition by this
 34 subsection apply notwithstanding any law to the contrary set forth
 35 outside this chapter.

36 (b) If a court declines to apply Indiana law in determining the
 37 effect of a spendthrift provision in a legacy trust in an action
 38 brought against a legacy trust, the trustee of the legacy trust shall
 39 immediately resign and, without further order of any court, cease
 40 to be the trustee of the legacy trust. When a trustee resigns under
 41 this section, the trustee has the power only to convey the trust
 42 property to a successor trustee appointed under this section. A



1 successor trustee shall succeed the resigning trustee in accordance
 2 with the terms of the legacy trust. If the trust does not provide for
 3 a successor trustee and the trust would otherwise be without a
 4 trustee, any beneficiary of the trust may petition an Indiana court
 5 to appoint a successor trustee. The Indiana court receiving the
 6 petition shall appoint a successor trustee to serve in accordance
 7 with the terms and conditions that the court determines are
 8 consistent with the purposes of the trust and this chapter.

9 (c) A legacy trust and its property are protected under this
 10 section regardless of whether or not the transferor:

11 (1) serves as a trust adviser under section 12 of this chapter;
 12 or

13 (2) retains a power described in section 13 of this chapter.

14 (d) To the maximum extent permitted by the United States
 15 Constitution and the Indiana Constitution, a court of this state
 16 shall exercise jurisdiction over a legacy trust or a qualified
 17 disposition and shall adjudicate a case or controversy brought
 18 before the court regarding, arising out of, or related to a legacy
 19 trust or a qualified disposition if that case or controversy is
 20 otherwise within the subject matter jurisdiction of the court.
 21 Subject to the United States Constitution and the Indiana
 22 Constitution, a court of this state shall not dismiss or otherwise
 23 decline to adjudicate a case or controversy described in this
 24 subsection on the grounds that a court of another jurisdiction has
 25 acquired or may acquire proper jurisdiction over, or may provide
 26 proper venue for, the case or controversy or the parties to the case
 27 or controversy. Nothing in this subsection shall be construed to do
 28 either of the following:

29 (1) Prohibit a transfer or other reassignment of a case or
 30 controversy from one court of this state to another court of
 31 this state.

32 (2) Expand or limit the subject matter jurisdiction of a court
 33 of this state.

34 Sec. 8. (a) Except as provided in subsection (e), a claim against
 35 property that is the subject of a qualified disposition to a legacy
 36 trust is barred by section 7 of this chapter unless the claim is one
 37 (1) of the following:

38 (1) Except as provided in subsection (b), an action brought in
 39 Indiana under the Uniform Fraudulent Transfer Act
 40 (IC 32-18-2) in which the requirements for recovery under the
 41 act are met by clear and convincing evidence.

42 (2) An action to enforce the child support obligations of the



1 transferor under a judgment or court order.

2 (3) A court judgment or order for the division of property in
3 a dissolution of the transferor's marriage or a legal separation
4 between the transferor and the transferor's spouse, if the
5 transferor's distribution to the legacy trust was made:

6 (A) after the date of the transferor's marriage that is
7 subject to the dissolution or legal separation; or

8 (B) within thirty (30) days before the date of the
9 transferor's marriage that is subject to the dissolution or
10 legal separation unless the transferor provided written
11 notice of the qualified disposition to the other party to the
12 marriage at least three (3) days before making the
13 qualified disposition.

14 (b) A claim brought under an action described in subsection
15 (a)(1) is extinguished unless:

16 (1) the creditor's claim arose before the qualified disposition
17 to a legacy trust was made and the action is brought not later
18 than the later of:

19 (A) two (2) years after the transfer was made; or

20 (B) six (6) months after the transfer:

21 (i) was recorded or made a public record; or

22 (ii) if not recorded or made a public record, was
23 discovered or could have reasonably been discovered by
24 the creditor; or

25 (2) notwithstanding IC 32-18-2-19, the creditor's claim arose
26 concurrent with or after the qualified disposition and the
27 action is brought not more than two (2) years after the date of
28 the qualified disposition.

29 (c) A qualified disposition made by a transferor who is a trustee
30 is considered for purposes of this chapter to have been made on the
31 date that the property that is subject to the qualified disposition
32 was originally transferred in trust to the trustee or any predecessor
33 trustee and the conditions set forth in section 4(3) of this chapter
34 are satisfied.

35 (d) If more than one (1) qualified disposition is made by means
36 of the same legacy trust:

37 (1) the making of a subsequent qualified disposition is
38 disregarded when determining whether a creditor's claim
39 with respect to a prior qualified disposition is extinguished
40 under subsection (b); and

41 (2) any distribution to a beneficiary is considered to have been
42 made from the latest qualified disposition.



1 (e) If the state of Indiana is a creditor of a transferor, then
2 notwithstanding subsection (a)(1) and subsection (b), the state of
3 Indiana may bring an action against a qualified trustee to assert a
4 claim against or to recover property that is the subject of a
5 qualified disposition by proceeding under the Indiana Uniform
6 Fraudulent Transfer Act, subject to the standard of evidence in
7 IC 32-18-2-14 and IC 32-18-2-15, and the limitation periods in
8 IC 32-18-2-19.

9 Sec. 9. (a) If a creditor's claim is allowed under section 8 of this
10 chapter, the transferor's qualified disposition to a legacy trust is
11 subject to the claim only to the extent necessary to satisfy the
12 transferor's debt to the creditor making the allowed claim.

13 (b) In the event the trustee participates in litigation brought by
14 a lender to enforce its rights under section 1(b)(1) of this chapter,
15 the trustee may recover the fees and costs incurred in such
16 litigation from the trust only after the lender has been paid in full.

17 (c) If a creditor's claim is allowed under section 8 of this chapter
18 and the creditor has not sought to enforce its rights under section
19 1(b)(1) of this chapter, the claim is limited as follows:

20 (1) If the court is satisfied that a qualified trustee has not
21 acted in bad faith in accepting or administering the property
22 that is the subject of the qualified disposition:

23 (A) the qualified trustee has a first and paramount lien
24 against the property that is the subject of the qualified
25 disposition in an amount equal to the entire cost, including
26 attorney's fees, properly incurred by the qualified trustee
27 in the defense of the action or proceedings filed by the
28 creditor;

29 (B) the creditor's claim shall be allowed subject to the
30 proper fees, costs, preexisting rights, claims, and interests
31 of the qualified trustee and of any predecessor qualified
32 trustee that has not acted in bad faith; and

33 (C) it is presumed that the qualified trustee did not act in
34 bad faith merely by accepting the property that is the
35 subject of the qualified disposition.

36 (2) If the court is satisfied that a beneficiary of a legacy trust
37 has not acted in bad faith, and the distribution was made to
38 the beneficiary before the creditor made the trustee aware of
39 its claim or commenced an action to enforce its claim, the
40 creditor's claim is subject to the right of the beneficiary to
41 retain any distribution made upon the exercise of a trust
42 power or the discretion vested in the qualified trustee that was



1 properly exercised before the trustee was made aware of the
2 claim or an action was commenced to enforce the claim.

3 **Sec. 10.** A spendthrift provision described in section 4(4) of this
4 chapter is considered a restriction on the transfer of the
5 transferor's beneficial interest in the trust that is enforceable
6 under applicable nonbankruptcy law within the meaning of Section
7 541(c)(2) of the federal Bankruptcy Code (11 U.S.C. 541(c)(2)) or
8 any successor provision of the federal Bankruptcy Code.

9 **Sec. 11.** Except as permitted by the terms of a legacy trust and
10 by sections 12 and 13 of this chapter, the transferor may not have
11 any rights or authority with respect to the principal or income of
12 the legacy trust. An agreement or understanding purporting to
13 grant or permit the retention of any greater rights or authority is
14 void.

15 **Sec. 12.** A transferor who makes a qualified disposition may also
16 serve as an investment adviser to the trust. However, the
17 transferor may not serve as a trust director to a legacy trust except
18 with respect to the retention of a veto right permitted by section
19 13(a)(1) of this chapter.

20 **Sec. 13. (a)** A legacy trust is not considered revocable because of
21 the inclusion of one (1) or more of the following:

22 (1) A transferor's power to veto a distribution from the trust.

23 (2) A power of appointment (other than the power to appoint
24 to the transferor, the transferor's creditors, the transferor's
25 estate, or the creditors of the transferor's estate) that may be
26 exercised by will or other written instrument of the transferor
27 that is effective only upon the transferor's death.

28 (3) The transferor's potential or actual receipt of income or
29 principal, including a right to income retained in the trust.

30 (4) The transferor's potential or actual receipt of income or
31 principal from a charitable remainder unitrust or charitable
32 remainder annuity trust (as those terms are defined in Section
33 664 of the Internal Revenue Code).

34 (5) The transferor's potential or actual receipt of income or
35 principal from a grantor retained annuity trust or grantor
36 retained unitrust that is allowed under Section 2702 of the
37 Internal Revenue Code.

38 (6) The transferor's potential or actual receipt or use of
39 principal when that potential or actual receipt or use results
40 from a qualified trustee's acting:

41 (A) in the qualified trustee's discretion;

42 (B) under a standard that governs the distribution of



1 principal and does not confer upon the transferor a power
 2 to consume, invade, or appropriate property for the benefit
 3 of the transferor unless the power of the transferor is
 4 limited by an ascertainable standard relating to health,
 5 education, support, or maintenance within the meaning of
 6 Section 2041(b)(1)(A) or 2514(c)(1) of the Internal Revenue
 7 Code; or

8 (C) at the direction of a trust director described in section
 9 14 of this chapter who acts:

10 (i) in the trust director's discretion; or

11 (ii) under a standard that governs the distribution of
 12 principal and does not confer upon the transferor a
 13 power to consume, invade, or appropriate property for
 14 the benefit of the transferor unless the power of the
 15 transferor is limited by an ascertainable standard
 16 relating to health, education, support, or maintenance
 17 within the meaning of Section 2041(b)(1)(A) or
 18 2514(c)(1) of the Internal Revenue Code.

19 (7) The transferor's right to remove a trustee or trust director
 20 and to appoint a new trustee or trust director as long as that
 21 right does not include the appointment of a person who is a
 22 related or subordinate party to the transferor within the
 23 meaning of Section 672(c) of the Internal Revenue Code.

24 (8) The transferor's potential or actual use of real property
 25 held under a qualified personal residence trust (as defined in
 26 Section 2702(c) of the Internal Revenue Code).

27 (b) For the purpose of subsection (a)(6)(A), a qualified trustee
 28 is presumed to have discretion with respect to the distribution of
 29 principal unless that discretion is denied to the qualified trustee by
 30 the terms of the legacy trust.

31 Sec. 14. (a) A transferor may appoint one (1) or more trust
 32 directors who may have authority under the terms of the trust:

33 (1) to remove and appoint qualified trustees or trust
 34 directors; and

35 (2) to direct, consent to, or disapprove distributions from the
 36 trust.

37 (b) Trust directors are not required to satisfy the requirements
 38 imposed upon trustees by section 6 of this chapter.

39 Sec. 15. If:

40 (1) a qualified trustee of a legacy trust ceases to meet the
 41 requirements of section 6 of this chapter; and

42 (2) there remains no trustee of the legacy trust that meets the



1 requirements of section 6 of this chapter;
 2 the qualified trustee described in subdivision (1) is considered to
 3 have resigned when the qualified trustee ceased to meet the
 4 requirements of section 6 of this chapter, and a successor trustee
 5 provided for in the legacy trust shall become a qualified trustee. If
 6 the legacy trust does not provide for a successor qualified trustee,
 7 a court shall appoint a successor qualified trustee upon the
 8 application of any interested party.

9 Sec. 16. (a) Nothing in this chapter shall be construed to prohibit
 10 a lender from enforcing its rights in property identified in section
 11 1(b) of this chapter and, to the extent necessary, naming the legacy
 12 trust or trustee of the trust as a defendant to the action or
 13 proceeding.

14 (b) If an asset described in subsection 1(b)(1) of this chapter is
 15 transferred to a legacy trust or trustee of a legacy trust, the
 16 transferor of that asset must send written notice of the transfer to
 17 the pertinent lender within fifteen (15) days after that transfer. The
 18 transferor must send the notice by certified mail, return receipt
 19 requested, to the registered agent for the lender. If there is no
 20 registered agent for the lender, the transferor must send notice to
 21 one (1) of the following:

- 22 (1) The last known address of the lender.
- 23 (2) The last address specified by the lender for mailing
- 24 payments on the obligations.
- 25 (3) The address specified by the lender for general inquiries
- 26 by customers.

27 The notice must include the name of the transferor, a description
 28 of the asset transferred, the name of the trustee, and the date that
 29 the transfer was completed. Upon request, the transferor or trustee
 30 shall provide the lender with a certification of the trust under
 31 IC 30-4-4-4, the names and addresses of the qualified beneficiaries
 32 of the trust, and copies of the pages from the trust instrument that
 33 identify the current trustee and describe the trustee's
 34 administrative powers and duties.

35 (c) Nothing in this chapter shall be construed to authorize any
 36 disposition that is prohibited by the terms of any agreements,
 37 notes, guaranties, mortgages, indentures, instruments,
 38 undertakings, or other documents. Any provisions that prohibit
 39 such transfer or disposition shall be binding and shall make this
 40 chapter inapplicable.

41 (d) In the event of a conflict between this section and any other
 42 provision of this chapter, this section shall control.



1 SECTION 10. IC 30-4-9 IS ADDED TO THE INDIANA CODE AS
 2 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
 3 1, 2019]:

4 **Chapter 9. Uniform Directed Trust Act**

5 **Sec. 1. This chapter may be cited as the Uniform Directed Trust**
 6 **Act.**

7 **Sec. 2. As used in this chapter, the following definitions apply:**

8 (1) "Breach of trust" includes a violation by a trust director
 9 or trustee of a duty imposed on that director or trustee by the
 10 terms of the trust, this chapter, or the law of this state other
 11 than this chapter.

12 (2) "Directed trust" means a trust for which the terms of the
 13 trust grant a power of direction.

14 (3) "Directed trustee" means a trustee that is subject to a
 15 trust director's power of direction.

16 (4) "Person" means an individual, estate, business or
 17 nonprofit entity, public corporation, government or
 18 government subdivision, agency, or instrumentality or other
 19 legal entity.

20 (5) "Power of direction" means a power over a trust granted
 21 to a person by the terms of the trust to the extent the power is
 22 exercisable while the person is not serving as a trustee. The
 23 term includes a power over the investment, management, or
 24 distribution of trust property or other matters of trust
 25 administration. The term excludes the powers described in
 26 section 5(b) of this chapter.

27 (6) "Settlor" means a person, including a testator, that
 28 creates, or contributes property to, a trust. If more than one
 29 (1) person creates or contributes property to a trust, each
 30 person is a settlor of the portion of the trust property
 31 attributable to that person's contribution except to the extent
 32 another person has the power to revoke or withdraw that
 33 portion.

34 (7) "State" means a state of the United States, the District of
 35 Columbia, Puerto Rico, the United States Virgin Islands, or
 36 any other territory of possession subject to the jurisdiction of
 37 the United States.

38 (8) "Terms of a trust" means:

39 (A) except as otherwise provided in clause (B), the
 40 manifestation of the settlor's intent regarding a trust's
 41 provisions as:

42 (i) expressed in the trust instrument; or



- 1 (ii) established by other evidence that would be
 2 admissible in a judicial proceeding; or
 3 (B) the trust's provisions as established, determined, or
 4 amended by:
 5 (i) a trustee or trust director in accordance with
 6 applicable law; or
 7 (ii) court order.
- 8 (9) "Trust director" means a person that is granted a power
 9 of direction by the terms of a trust to the extent the power is
 10 exercisable while the person is not serving as a trustee. The
 11 person is a trust director whether or not the terms of the trust
 12 refer to the person as a trust director and whether or not the
 13 person is a beneficiary or settlor of the trust.
- 14 (10) "Trustee" includes an original, additional, and successor
 15 trustee, and a cotrustee.
- 16 (11) "Willful misconduct" means intentional wrongdoing, and
 17 not mere negligence, gross negligence, or recklessness.
- 18 (12) "Wrongdoing" means malicious conduct or conduct
 19 designed to defraud or to seek an unconscionable advantage.
- 20 **Sec. 3. (a) This chapter applies to a trust, whenever created, that**
 21 **has its principal place of administration in Indiana, subject to the**
 22 **following:**
- 23 (1) If the trust was created before July 1, 2019, this chapter
 24 applies only to a decision or action occurring after June 30,
 25 2019.
- 26 (2) If the principal place of administration of the trust is
 27 changed to Indiana after June 30, 2019, this chapter applies
 28 only to a decision or action occurring on or after the date of
 29 the change.
- 30 (b) Without precluding other means to establish a sufficient
 31 connection with the designated jurisdiction in a directed trust, the
 32 terms of the trust that designate the principal place of
 33 administration of the trust are valid and controlling if:
- 34 (1) a trustee's principal place of business is located in or a
 35 trustee is a resident of the designated jurisdiction;
- 36 (2) a trust director's principal place of business is located in
 37 or a trust director is a resident of the designated jurisdiction;
- 38 or
- 39 (3) all or part of the administration occurs in the designated
 40 jurisdiction.
- 41 **Sec. 4. The common law and principles of equity supplement**
 42 **this chapter, except to the extent modified by this chapter or law of**



- 1 **Indiana other than this chapter.**
- 2 **Sec. 5. (a) As used in this section, "power of appointment"**
- 3 **means a power that enables a person acting in a nonfiduciary**
- 4 **capacity to designate a recipient of an ownership interest in or**
- 5 **another power of appointment over trust property.**
- 6 **(b) This chapter does not apply to a:**
- 7 **(1) power of appointment;**
- 8 **(2) power to appoint or remove a trustee or trust director;**
- 9 **(3) power of a settlor over a trust to the extent the settlor has**
- 10 **a power to revoke the trust;**
- 11 **(4) power of a beneficiary over a trust to the extent the**
- 12 **exercise or nonexercise of the power affects the beneficiary**
- 13 **interest of:**
- 14 **(A) the beneficiary; or**
- 15 **(B) another beneficiary represented by the beneficiary**
- 16 **with respect to the exercise or nonexercise of the power; or**
- 17 **(5) power over a trust if:**
- 18 **(A) the terms of the trust provide that the power is held in**
- 19 **a nonfiduciary capacity; and**
- 20 **(B) the power must be held in a nonfiduciary capacity to**
- 21 **achieve the settlor's tax objectives under the Internal**
- 22 **Revenue Code.**
- 23 **(c) Unless the terms of a trust provide otherwise, a power**
- 24 **granted to a person to designate a recipient of an ownership**
- 25 **interest in or power of appointment over trust property that is**
- 26 **exercisable while the person is not serving as a trustee is a power**
- 27 **of appointment and not a power of direction.**
- 28 **Sec. 6. (a) Subject to section 7 of this chapter, the terms of the**
- 29 **trust may grant a power of direction to a trust director.**
- 30 **(b) Unless the terms of a trust provide otherwise:**
- 31 **(1) a trust director may exercise any further power**
- 32 **appropriate to the exercise or nonexercise of a power of**
- 33 **direction granted to the director under subsection (a); and**
- 34 **(2) trust directors with joint powers must act by majority**
- 35 **decision.**
- 36 **Sec. 7. A trust director is subject to the same rules as a trustee**
- 37 **in a like position and under similar circumstances in the exercise**
- 38 **or nonexercise of a power of direction or further power under**
- 39 **section 6(b)(1) of this chapter regarding:**
- 40 **(1) a payback provision in the terms of a trust necessary to**
- 41 **comply with the reimbursement requirements under 42**
- 42 **U.S.C. 1396p(d)(4)(A); or**



- 1 (2) a charitable interest in the trust, including notice
2 regarding the interest to the attorney general under
3 IC 30-4-6-6.
- 4 **Sec. 8. (a) Subject to subsection (b), with respect to a power of**
5 **direction or further power under section 6(b)(1) of this chapter:**
- 6 (1) a trust director has the same fiduciary duty and liability in
7 the exercise or nonexercise of the power:
- 8 (A) if the power is held individually, as a sole trustee in a
9 like position and under similar circumstances; or
- 10 (B) if the power is held jointly with a trustee or another
11 trust director, as a cotrustee in a like position and under
12 similar circumstances; and
- 13 (2) the terms of the trust may vary the director's duty or
14 liability to the same extent the terms of the trust could vary
15 the duty or liability of a trustee in a like position and under
16 similar circumstances.
- 17 (b) Unless the terms of a trust provide otherwise, if a trust
18 director is licensed, certified, or otherwise authorized or permitted
19 by law other than this chapter to provide health care in the
20 ordinary course of the director's business or practice of a
21 profession, to the extent the director acts in that capacity, the
22 director has no duty or liability under this chapter.
- 23 (c) The terms of a trust may impose a duty or liability on a trust
24 director in addition to the duties and liabilities under this section.
- 25 **Sec. 9. (a) Subject to subsection (b), a directed trustee shall take**
26 **reasonable action to comply with a trust director's exercise or**
27 **nonexercise of a power of direction or further power under section**
28 **6(b)(1) of this chapter, and the trustee is not liable for the action.**
- 29 (b) A directed trustee must not comply with a trust director's
30 exercise or nonexercise of a power of direction or further power
31 under section 6(b)(1) of this chapter to the extent that by
32 complying the trustee would engage in willful misconduct.
- 33 (c) An exercise of power of direction under which a trust
34 director may release a trustee or another trust director from
35 liability for breach of trust is not effective if:
- 36 (1) the breach involved the trustee's or other director's willful
37 misconduct;
- 38 (2) the release was induced by improper conduct of the trustee
39 or other director in procuring the release; or
- 40 (3) at the time of the release, the director did not know the
41 material facts relating to the breach.
- 42 (d) A directed trustee that has reasonable doubt about the



1 directed trustee's duty under this section may petition the court for
2 instructions.

3 (e) The terms of a trust may impose a duty or liability on a
4 directed trustee in addition to the duties and liabilities under this
5 section.

6 Sec. 10. (a) Subject to section 11 of this chapter, a trustee shall
7 provide information to a trust director to the extent the
8 information is reasonably related both to:

- 9 (1) the powers or duties of the trustee; and
10 (2) the powers or duties of the director.

11 (b) Subject to section 11 of this chapter, a trust director shall
12 provide information to a trustee or another trust director to the
13 extent the information is reasonably related to:

- 14 (1) the powers or duties of the director; and
15 (2) the powers or duties of the trustee or other director.

16 (c) A trustee that acts in reliance on information provided by a
17 trust director is not liable for a breach of trust to the extent the
18 breach resulted from the reliance, unless by so acting, the trustee
19 engages in willful misconduct.

20 (d) A trust director that acts in reliance on information
21 provided by a trustee or another trust director is not liable for a
22 breach of trust to the extent the breach resulted from the reliance,
23 unless by so acting, the trust director engages in willful
24 misconduct.

25 Sec. 11. (a) Unless the terms of a trust provide otherwise:

- 26 (1) a trustee does not have a duty to:
27 (A) monitor a trust director; or
28 (B) inform or give advice to a settlor, beneficiary, trustee,
29 or trust director concerning an instance in which the
30 trustee might have acted differently than the director; and
31 (2) by taking an action described in subdivision (1), a trustee
32 does not assume the duty excluded by subdivision (1).

33 (b) Unless the terms of a trust provide otherwise:

- 34 (1) a trust director does not have a duty to:
35 (A) monitor a trustee or another trust director; or
36 (B) inform or give advice to a settlor, beneficiary, trustee,
37 or another trust director concerning an instance in which
38 the director might have acted differently than a trustee or
39 another trust director; and
40 (2) by taking an action described in subdivision (1), a trust
41 director does not assume the duty excluded by subdivision (1).

42 Sec. 12. The terms of a trust may relieve a cotrustee from duty



1 and liability with respect to another cotrustee's exercise or
 2 nonexercise of a power of the other cotrustee to the same extent
 3 that in a directed trust a directed trustee is relieved from duty and
 4 liability with respect to a trust director's power of direction under
 5 sections 9 through 11 of this chapter.

6 **Sec. 13. (a)** An action against a trust director for breach of trust
 7 must be commenced within the same limitation period as an action
 8 against a trustee under IC 30-4-6-12.

9 (b) A report or accounting has the same effect on the limitation
 10 period for an action against a trust director for breach of trust that
 11 the report or accounting would have under IC 30-4-6-12 in an
 12 action for breach of trust against a trustee who is in a like position
 13 and under similar circumstances.

14 **Sec. 14.** In an action against a trust director for breach of trust,
 15 the director may assert the same defenses a trustee in a like
 16 position and under similar circumstances could assert in an action
 17 for breach of trust against the trustee.

18 **Sec. 15. (a)** By accepting appointment as a trust director of a
 19 trust under this chapter, the director submits to personal
 20 jurisdiction of the courts of the state of Indiana regarding any
 21 matter related to a power or duty of the director.

22 (b) This section does not preclude other methods of obtaining
 23 jurisdiction over a trust director.

24 **Sec. 16.** Unless the terms of a trust provide otherwise, the rules
 25 applicable to a trustee apply to a trust director regarding the
 26 following matters:

- 27 (1) Acceptance (IC 30-4-2-2).
- 28 (2) Giving of bond to secure performance (IC 30-4-6-8).
- 29 (3) Reasonable compensation (IC 30-4-5-16).
- 30 (4) Resignation and removal (IC 30-4-3-29).
- 31 (5) Vacancy and appointment of successor (IC 30-4-3-33).

32 **Sec. 17.** In applying and construing this uniform act,
 33 consideration must be given to the need to promote uniformity of
 34 the law with respect to its subject matter among the states that
 35 enact it.



COMMITTEE REPORT

Madam President: The Senate Committee on Judiciary, to which was referred Senate Bill No. 265, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 13, line 41, delete "Sec. 1. This" and insert "**Sec. 1. (a) Subject to the limitations set forth in subsection (b), this**".

Page 14, between lines 2 and 3, begin a new paragraph and insert: "**(b) This chapter does not apply to:**

- (1) any assets that are listed on an application or financial statement completed by the transferor and which is submitted to a lender in connection with a request to obtain or maintain credit from the lender; or**
- (2) any assets of a legacy trust that are listed on an application or financial statement completed on behalf of the legacy trust and which is submitted to a lender in connection with a request to obtain or maintain credit from the lender on behalf of the legacy trust.**

In the event that assets described in subsection (b)(1) are later transferred to a legacy trust and a default occurs under the loan or extension of credit, either before or after the transfer or disposition under the legacy trust, the lender shall be entitled to proceed against any assets listed on the applications or financial statements which were submitted in connection with the loan, or any modifications, amendments, or renewals of the loan. Nothing in this chapter shall prohibit such action. A change in the character, form, or ownership of the assets described in subsection (b)(1) shall in no way make subsection (b)(1) inapplicable."

Page 14, between lines 25 and 26, begin a new line block indented and insert:

"(7) "Lender" means a company or entity that extends credit, including but not limited to a financial institution (as defined by IC 28-1-1-3(1)), a company or entity that extends credit under IC 24-4.4 or IC 24-4.5, or the successors and assigns of the company or entity."

Page 14, line 26, delete "(7)" and insert "**(8)**".

Page 14, line 30, delete "(8)" and insert "**(9)**".

Page 14, line 32, delete "(9)" and insert "**(10)**".

Page 14, line 34, delete "(10)" and insert "**(11)**".

Page 14, line 36, delete "(11)" and insert "**(12)**".

Page 14, line 38, delete "(12)" and insert "**(13)**".

Page 15, line 5, delete "(13)" and insert "**(14)**".



Page 15, line 5, delete "adviser"" and insert "**director**".

Page 15, line 29, after "must" insert "**be signed under the penalties of perjury, and**".

Page 17, line 26, delete "A" and insert "**Except as provided in subsection (e), a**".

Page 18, line 26, after "trustee" insert "**and the conditions set forth**".

Page 18, line 26, delete "a form that satisfies".

Page 18, line 26, delete "and 4(4)".

Page 18, line 26, delete "chapter." and insert "**chapter are satisfied.**".

Page 18, between lines 34 and 35, begin a new paragraph and insert:

"(e) If the state of Indiana is a creditor of a transferor, then notwithstanding subsection (a)(1) and subsection (b), the state of Indiana may bring an action against a qualified trustee to assert a claim against or to recover property that is the subject of a qualified disposition by proceeding under the Indiana Uniform Fraudulent Transfer Act, subject to the standard of evidence in IC 32-18-2-14 and IC 32-18-2-15, and the limitation periods in IC 32-18-2-19."

Page 18, between lines 38 and 39, begin a new paragraph and insert:

"(b) In the event the trustee participates in litigation brought by a lender to enforce its rights under section 1(b)(1) of this chapter, the trustee may recover the fees and costs incurred in such litigation from the trust only after the lender has been paid in full."

Page 18, line 39, delete "(b)" and insert "(c)".

Page 18, line 39, after "section 8" insert "**of this chapter and the creditor has not sought to enforce its rights under section 1(b)(1)**".

Page 19, line 11, delete "had" and insert "**has**".

Page 19, line 16, delete "faith:" and insert "**faith, and the distribution was made to the beneficiary before the creditor made the trustee aware of its claim or commenced an action to enforce its claim,**".

Page 19, line 17, delete "(A)".

Page 19, line 21, delete "creditor" and insert "**trustee was made aware of the claim or an action was**".

Page 19, line 21, delete "an action".

Page 19, line 21, delete "claim;" and insert "**claim.**".

Page 19, run in lines 16 through 21.

Page 19, delete lines 22 through 26.

Page 19, line 41, delete "adviser" and insert "**director**".

Page 20, line 32, delete "an adviser" and insert "**a trust director**".



Page 20, line 34, delete "adviser's" and insert "**trust director's**".

Page 21, line 1, delete "adviser" and insert "**trust director**".

Page 21, line 2, delete "adviser" and insert "**trust director**".

Page 21, line 13, delete "advisers" and insert "**trust directors**".

Page 21, line 15, delete "advisers;" and insert "**directors;**".

Page 21, line 19, delete "advisers" and insert "**directors**".

Page 21, delete lines 33 through 42.

Page 21, delete lines 1 through 14.

Page 22, delete "Sec. 17" and insert "**Sec. 16**".

Page 22, between lines 19 and 20, begin a new paragraph and insert:

"Sec. 17. (a) Nothing in this chapter shall be construed to prohibit a lender from enforcing its rights in property identified in section 1(b) of this chapter and, to the extent necessary, naming the legacy trust or trustee of the trust as a defendant to the action or proceeding.

(b) If an asset described in subsection 1(b)(1) of this chapter is transferred to a legacy trust or trustee of a legacy trust, the transferor of that asset must send written notice of the transfer to the pertinent lender within fifteen (15) days after that transfer. The transferor must send the notice by certified mail, return receipt requested, to the registered agent for the lender. If there is no registered agent for the lender, the transferor must send notice to one (1) of the following:

- (1) The last known address of the lender.**
- (2) The last address specified by the lender for mailing payments on the obligations.**
- (3) The address specified by the lender for general inquiries by customers.**

The notice must include the name of the transferor, a description of the asset transferred, the name of the trustee, and the date that the transfer was completed. Upon request, the transferor or trustee shall provide the lender with a certification of the trust under IC 30-4-4-4, the names and addresses of the qualified beneficiaries of the trust, and copies of the pages from the trust instrument that identify the current trustee and describe the trustee's administrative powers and duties.

(c) Nothing in this chapter shall be construed to authorize any disposition that is prohibited by the terms of any agreements, notes, guaranties, mortgages, indentures, instruments, undertakings, or other documents. Any provisions that prohibit such transfer or disposition shall be binding and shall make this chapter inapplicable.



(d) In the event of a conflict between this section and any other provision of this chapter, this section shall control."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 265 as introduced.)

HEAD, Chairperson

Committee Vote: Yeas 6, Nays 4.

SENATE MOTION

Madam President: I move that Senate Bill 265 be amended to read as follows:

Page 8, delete lines 2 through 18, begin a new paragraph and insert:

"SECTION 4. IC 30-4-3-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 9. (Duty of Trustee under Control of Third Person)

(a) This section applies to directions given to a trustee before July 1, 2019, by a person who has power under the terms of the trust to direct the trustee.

~~(a)~~ **(b)** If the terms of the trust give a person a power to direct the trustee in the administration of the trust and those terms expressly direct the trustee to rely, or relieve the trustee from liability if he does rely, on that person's directions, the trustee may do so and will incur no liability for any loss to the trust estate.

~~(b)~~ **(c)** If the terms of the trust give a person a power to direct the trustee in the administration of the trust, except as provided in subsection ~~(a)~~ **(b)**: ~~of this section~~:

(1) If the person holds the power as a fiduciary, the trustee has a duty to refuse to comply with any direction which he knows or should know would constitute a breach of a duty owed by that person as a fiduciary.

(2) If the person holds the power solely for his own benefit, the trustee may refuse to comply only if the attempted exercise of the power violates the terms of the trust with respect to that power."

Page 17, line 12, delete "the federal Office of Thrift Supervision,".

Page 18, between lines 10 and 11, begin a new paragraph and insert:

"(d) To the maximum extent permitted by the United States Constitution and the Indiana Constitution, a court of this state

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shall exercise jurisdiction over a legacy trust or a qualified disposition and shall adjudicate a case or controversy brought before the court regarding, arising out of, or related to a legacy trust or a qualified disposition if that case or controversy is otherwise within the subject matter jurisdiction of the court. Subject to the United States Constitution and the Indiana Constitution, a court of this state shall not dismiss or otherwise decline to adjudicate a case or controversy described in this subsection on the grounds that a court of another jurisdiction has acquired or may acquire proper jurisdiction over, or may PROVIDE proper venue for, the case or controversy or the parties to the case or controversy. Nothing in this subsection shall be construed to do either of the following:

- (1) Prohibit a transfer or other reassignment of a case or controversy from one court of this state to another court of this state.
- (2) Expand or limit the subject matter jurisdiction of a court of this state."

Page 20, line 23, delete "and".

Page 21, between lines 39 and 40, begin a new line block indented and insert:

- "(7) The transferor's right to remove a trustee or trust director and to appoint a new trustee or trust director as long as that right does not include the appointment of a person who is a related or subordinate party to the transferor within the meaning of Section 672(c) of the Internal Revenue Code.
- (8) The transferor's potential or actual use of real property held under a qualified personal residence trust (as defined in Section 2702(c) of the Internal Revenue Code).

(b) For the purpose of subsection (a)(6)(A), a qualified trustee is presumed to have discretion with respect to the distribution of principal unless that discretion is denied to the qualified trustee by the terms of the legacy trust.

Sec. 14. (a) A transferor may appoint one (1) or more trust directors who may have authority under the terms of the trust:"

Page 22, delete lines 16 through 29.

Renumber all SECTIONS consecutively.

(Reference is to SB 265 as printed February 8, 2019.)

HEAD



SENATE MOTION

Madam President: I move that Senate Bill 265 be amended to read as follows:

Page 22, delete lines 30 through 34.

Page 22, line 35, delete "Sec. 17." and insert "**Sec. 16.**".

Page 29, delete lines 20 through 23.

(Reference is to SB 265 as printed February 8, 2019.)

HEAD

SENATE MOTION

Madam President: I move that Senate Bill 265 be amended to read as follows:

Page 18, line 20, delete "order in existence at the" and insert "**order.**".

Page 18, delete lines 21 through 22.

(Reference is to SB 265 as printed February 8, 2019.)

FREEMAN

COMMITTEE REPORT

Mr. Speaker: Your Committee on Judiciary, to which was referred Senate Bill 265, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

(Reference is to SB 265 as reprinted February 22, 2019.)

TORR

Committee Vote: Yeas 8, Nays 2

