

SENATE COMMITTEE SUBSTITUTE

FOR

SENATE BILLS NOS. 1221 & 988

AN ACT

To repeal sections 456.950 and 456.1-108, RSMo, and to enact in lieu thereof sixteen new sections relating to estate planning.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Sections 456.950 and 456.1-108, RSMo, are repealed and sixteen new sections enacted in lieu thereof, to be known as sections 456.950, 456.1-108, 474.540, 474.542, 474.544, 474.546, 474.548, 474.550, 474.552, 474.554, 474.556, 474.558, 474.560, 474.562, 474.564, and 474.600, to read as follows:

456.950. 1. As used in this section, "qualified spousal trust" means a trust:

(1) The settlors of which are married to each other at the time of the creation of the trust; and

(2) The terms of which provide that during the joint lives of the settlors or the life of the sole surviving settlor all property transferred to, or held by, the trustee are:

(a) Held and administered in one trust for the benefit of both settlors, which may be revocable by either settlor or both settlors while either or both are alive, and by one settlor after the death or incapacity of the other, and each settlor having the right to receive distributions of income or principal, whether mandatory or within the discretion of the trustee, from the entire trust for the joint lives of the settlors and for the survivor's life; or

(b) Held and administered in two or more separate shares of one trust for the benefit of each or both of the

settlers, with the trust revocable by each settlor with respect to that settlor's separate share of that trust without the participation or consent of the other settlor, and each settlor having the right to receive distributions of income or principal, whether mandatory or within the discretion of the trustee, from that settlor's separate share for that settlor's life; or

(c) Held and administered under the terms and conditions contained in paragraphs (a) and (b) of this subdivision.

2. A qualified spousal trust may contain any other trust terms that are not inconsistent with the provisions of this section, including, without limitation, a discretionary power to distribute trust property to a person in addition to a settlor.

3. All property at any time held in a qualified spousal trust, without regard to how such property was titled prior to it being so held[]:

(1) Shall have the same immunity from the claims of a separate creditor of either settlor as if such property were held outside the trust by the settlers as tenants by the entirety, unless otherwise provided in writing by the settlor or settlers who transferred such property to the trust, and such property shall be treated for that purpose, including without limitation, federal and state bankruptcy laws, as tenants by entirety property[. Property held in a qualified spousal trust];

(2) With the exception of any written financial obligations, written guarantees, or secured or unsecured transactions, executed by the settlers and held in a qualified spousal trust, all property, including the appreciation therein, shall continue to be immune and exempt from attachment during the life of the surviving settlor to

the extent the property was held in a qualified spousal trust prior to the death of the first settlor and remains in a qualified spousal trust; and

(3) Shall cease to receive immunity from the claims of creditors upon the dissolution of marriage of the settlors by a court.

4. As used in this section, "property" means any interest in any type of property held in a qualified spousal trust, the income thereon, and any property into which such interest, proceeds, or income may be converted.

5. Upon the death of each settlor, all property held by the trustee of the qualified spousal trust shall be distributed as directed by the then current terms of the governing instrument of such trust. Upon the death of the first settlor to die, if immediately prior to death the predeceased settlor's interest in the qualified spousal trust was then held or deemed to be held in such settlor's separate share, the property held in such settlor's separate share may pass into an irrevocable trust for the benefit of the surviving settlor or other beneficiary upon such terms as the governing instrument shall direct, including without limitation a spendthrift provision as provided in section 456.5-502. Property may be held in or transferred to a settlor's joint or separate share of a trust by:

(a) Designation under the current terms of the governing instrument of such trust; or

(b) Pursuant to the specified titling of property or other designation that refers to such joint or separate share of such trust; or

(c) Designation to the trustee as the owner as provided in section 456.1-113.

6. The respective rights of settlors who are married to each other in any property for purposes of a dissolution

of the settlors' marriage shall not be affected or changed by reason of the transfer of that property to, or its subsequent administration as an asset of, a qualified spousal trust during the marriage of the settlors, unless both settlors expressly agree otherwise in writing.

7. No transfer to a qualified spousal trust shall avoid or defeat the Missouri uniform fraudulent transfer act in chapter 428.

8. This section shall apply to all trusts which fulfill the criteria set forth in this section for a qualified spousal trust regardless of whether such trust was created before, on, or after August 28, 2011.

456.1-108. 1. Without precluding other means for establishing a sufficient connection with the designated jurisdiction, terms of a trust designating the principal place of administration are valid and controlling if:

(1) a trustee's principal place of business is located in or a trustee is a resident of the designated jurisdiction; or

(2) all or part of the administration occurs in the designated jurisdiction.

2. Without precluding the right of the court to order, approve, or disapprove a transfer, the trustee may transfer the trust's principal place of administration to another state or to a jurisdiction outside of the United States that is appropriate to the trust's purposes, its administration, and the interests of the beneficiaries.

3. The trustee shall notify the qualified beneficiaries of a proposed transfer of a trust's principal place of administration not less than sixty days before initiating the transfer. The notice of proposed transfer must include:

- (1) the name of the jurisdiction to which the principal place of administration is to be transferred;
- (2) the address and telephone number at the new location at which the trustee can be contacted;
- (3) an explanation of the reasons for the proposed transfer;
- (4) a notice that states a change in the place of administration may result in a change of the governing law, which may affect the rights of any beneficiaries in ways that are different from the current governing law;
- (5) the date on which the proposed transfer is anticipated to occur; and
- ~~[(5)]~~ (6) the date, not less than sixty days after the giving of the notice, by which the qualified beneficiary must notify the trustee of an objection to the proposed transfer.

4. The authority of a trustee under this section to transfer a trust's principal place of administration without an order of a court terminates if a qualified beneficiary notifies the trustee of an objection to the proposed transfer on or before the date specified in the notice.

5. In connection with a transfer of the trust's principal place of administration, the trustee may transfer some or all of the trust property to a successor trustee designated in the terms of the trust or appointed pursuant to section 456.7-704.

474.540. The provisions of sections 474.540 to 474.564 shall be known and may be cited as the "Missouri Electronic Wills and Electronic Estate Planning Documents Act".

474.542. As used in sections 474.540 to 474.564, the following terms mean:

(1) "Electronic", technology having electrical, digital, magnetic, wireless, optical, electromagnetic, or similar capabilities;

(2) "Electronic presence", the relationship of two or more individuals in different locations in real time using technology enabling live, interactive audio-visual communication that allows for observation, direct interaction, and communication between or among the individuals;

(3) "Electronic will", a will executed electronically in compliance with subsection 1 of section 474.548;

(4) "Record", information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form;

(5) "Security procedure", a procedure to verify that an electronic signature, record, or performance is that of a specific person or to detect a change or error in an electronic record, including a procedure that uses an algorithm, code, identifying word or number, encryption, or callback or other acknowledgment procedure;

(6) "Sign", with present intent to authenticate or adopt a record to:

(a) Execute or adopt a tangible symbol; or

(b) Affix to or logically associate with the record an electronic symbol or process;

(7) "State", a state of the United States, the District of Columbia, Puerto Rico, the United States Virgin Islands, a federally recognized Indian tribe, or any territory or insular possession subject to the jurisdiction of the United States;

(8) "Will", a codicil and any testamentary instrument that appoints an executor, revokes or revises another will, nominates a guardian, or expressly excludes or limits the

right of an individual or class to succeed to property of the decedent passing by intestate succession.

474.544. An electronic will shall be a will for all purposes of the laws of this state. The provisions of law applicable to wills and principals of equity shall apply to an electronic will, except as modified by sections 474.540 to 474.564.

474.546. A will executed electronically, but not in compliance with subsection 1 of section 474.548, shall be an electronic will under the provisions of sections 474.540 to 474.564 if executed in compliance with the law of the jurisdiction where the testator is:

- (1) Physically located when the will is signed; or
- (2) Domiciled, or where the testator resides, when the will is signed or when the testator dies.

474.548. 1. An electronic will shall be:

(1) A record that is readable as text at the time of signing as provided in subdivision (2) of this subsection and remains accessible as text for later reference;

(2) Signed by:

- (a) The testator; or
- (b) Another individual in the testator's name, in the testator's physical presence, and by the testator's direction; and

(3) Signed in the physical or electronic presence of the testator by at least two individuals after witnessing:

(a) The signing of the will pursuant to subdivision (2) of this subsection; or

(b) The testator's acknowledgment of the signing of the will pursuant to subdivision (2) of this subsection or acknowledgment of the will.

2. The intent of a testator that the record in subdivision (1) of subsection 1 of this section be the

testator's electronic will may be established by extrinsic evidence.

3. In accordance with the provisions of sections 474.337 or 474.550, a witness to a will shall be a resident of a state and physically located in a state at the time of signing if no self-proving affidavit is signed contemporaneously with the execution of the electronic will.

474.550. At the time of its execution or at any subsequent date, an electronic will may be made self-proved in the same manner as specified in section 474.337 or, if fewer than two witnesses are physically present in the same location as the testator at the time of such acknowledgments, before a remote online notary authorized to perform a remote online notarization in this state under the law of any state or the United States, and evidenced by a remote online notarial certificate, in form and content substantially as follows, subject to the additional requirements under section 486.1165:

State of _____

County (and/or City) of _____

I, the undersigned notary, certify that _____, the testator, and the witnesses, whose names are signed to the attached or foregoing instrument, having personally appeared before me by remote online means, and having been first duly sworn, each then declared to me that the testator signed and executed the instrument as the testator's last will, and that the testator had willingly signed or willingly directed another to sign for the testator, and that the testator executed it as the testator's free and voluntary act for the purposes therein expressed; and that each of the witnesses, in the presence and hearing of the testator, signed the will as witness and that to the best of the witnesses' knowledge the testator was at that time eighteen or more years of age, of sound mind, and under no constraint or undue influence.

In witness thereof I have hereunto subscribed my name
and affixed my official seal this (date).

(official signature and seal of
notary)

474.552. 1. An electronic will may revoke all or part
of a previous will.

2. All or part of an electronic will shall be revoked
by:

(1) A subsequent will that revokes all or part of the
electronic will expressly or by inconsistency;

(2) A written instrument signed by the testator
declaring the revocation; or

(3) A physical act, if it is established by a
preponderance of the evidence that the testator, with the
intent of revoking all or part of the will, performed the
act or directed another individual who performed the act in
the testator's physical presence.

3. If there is evidence that a testator signed an
electronic will and neither the electronic will nor a
certified paper copy of the electronic will can be located
after a testator's death, there shall be a presumption that
the testator revoked the electronic will, even if no
instrument or later will revoking the electronic will can be
located.

474.554. Without further notice, at any time during
the administration of the estate or, if there is no grant of
administration, upon such notice and in such manner as the
court directs, the court may issue an order pursuant to
sections 472.400 to 472.490 for a custodian of an account
held under a terms-of-service agreement to disclose digital
assets for the purposes of obtaining an electronic will from
the account of a deceased user. If there is no grant of
administration at the time the court issues the order, the

court's order shall grant disclosure to the petitioner who is deemed a personal representative for sections 472.400 to 472.490.

474.556. 1. An individual may create a certified paper copy of an electronic will by affirming under penalty of perjury that a paper copy of the electronic will is a complete, true, and accurate copy of the electronic will. If the electronic will is made self-proving, the certified paper copy of the will shall include a self-proving affidavit as provided in sections 474.337 or 474.550.

2. If a provision of law or rule of procedure requires a will to be presented or retained in its original form or provides legal consequences for the information not being presented or retained in its original form, that provision or rule shall be satisfied by a certified paper copy of an electronic will.

474.558. In applying and construing the provisions of sections 474.540 to 474.564, consideration shall be given to the need to promote uniformity of the law with respect to its subject matter among states that enact similar provisions.

474.560. 1. Any written estate planning document may be executed electronically, and no such estate planning document shall be invalid or void solely because it is in electronic form or because it is signed electronically by a settlor, trustee, principal, grantor, declarant, or owner, or by a witness to any such person's signature. For purposes of this section, "estate planning document" shall include, but not be limited to:

- (1) A power of attorney or durable power of attorney;
- (2) A health care declaration;
- (3) An advance directive;

(4) A power of attorney for health care or durable power of attorney for health care;

(5) A revocable trust or amendment thereto, or modification or revocation thereof;

(6) An irrevocable trust;

(7) A beneficiary deed;

(8) A nonprobate transfer; or

(9) A document modifying, amending, correcting, or revoking any written estate planning document.

2. (1) An electronic estate planning document or an electronic signature on such document shall be attributable to a person if it was the act of the person. The act of the person may be shown in any manner, including a showing of the efficacy of a security procedure applied to determine the person to which the electronic record or signature was attributable.

(2) The effect of attribution of a document or signature to a person pursuant to subdivision (1) of this subsection shall be determined from the context and surrounding circumstances at the time of its creation, execution, or adoption and as provided by other provisions of law.

3. (1) Unless otherwise provided under its terms, any electronic estate planning document may be signed in one or more counterparts, and each separate counterpart may be an electronic document or a paper document, provided that all signed counterpart pages of each document are incorporated into, or attached to, the document.

(2) An individual may create a certified paper copy of any such electronic estate planning document by affirming under penalty of perjury that a paper copy of the electronic estate planning document is a complete, true, and accurate copy of such document. If a provision of law or rule of

procedure requires an estate planning document to be presented or retained in its original form or provides legal consequences for the information not being presented or retained in its original form, such provision or rule shall be satisfied by a certified paper copy of an electronic document.

4. Any written estate planning document, other than a will, that requires one or more witnesses to the signature of a principal may be witnessed by any individual or individuals in the electronic presence of the principal.

5. A person who acts in reliance upon an electronically executed written estate planning document shall not be liable to any person for so relying and may assume without inquiry the valid execution of the electronically executed written estate planning document.

6. This section does not require a written estate planning document to be electronically signed.

7. The laws of this state and principles of equity applicable to any estate planning document shall apply to any electronic estate planning document except as modified by this section.

474.562. The provisions of sections 474.540 to 474.564 modify, limit, and supersede the federal Electronic Signatures in Global and National Commerce Act, 15 U.S.C. Section 7001, et seq., but do not modify, limit, or supersede Section 101(c) of that act, 15 U.S.C. Section 7001(c), or authorize electronic delivery of any of the notices described in Section 103(b) of that act, 15 U.S.C. Section 7003(b).

474.564. The provisions of sections 474.540 to 474.564 shall apply to any will of a decedent who dies on or after August 28, 2024, and to each written estate planning

document, as that term is defined in section 474.560, signed or remotely witnessed on or after August 28, 2024.

474.600. 1. As used in this section, the following terms mean:

(1) "Applicable state of emergency", the period between April 6, 2020, and December 31, 2021, during which a state of emergency existed due to a COVID-19 public health threat, as proclaimed by the governor, and during which executive orders 20-08, 20-10, 20-12, 20-14, 20-19, 21-07, and 21-09 temporarily suspended the physical appearance requirements in chapter 474 and authorized the use of audio-visual technology to the extent that any Missouri statute required the physical presence of any testator, settlor, principal, witness, notary, or other person necessary for the effective execution of any estate planning document such as a will, trust, or power of attorney, or a self-proving affidavit of the execution of such document, if the conditions set forth in the executive orders were met;

(2) "Estate planning document", includes, but is not limited to:

(a) A will;

(b) A codicil;

(c) A power of attorney or durable power of attorney;

(d) A health care declaration;

(e) An advance directive;

(f) A power of attorney for health care or a durable power of attorney for health care;

(g) A revocable trust or amendment thereto, or modification or revocation thereof;

(h) An irrevocable trust;

(i) A beneficiary deed;

(j) A nonprobate transfer; or

(k) A document modifying, amending, correcting, or revoking any written estate planning document;

(3) "Necessary person", any testator, settlor, grantor, principal, declarant, witness, notary, or other person required for the effective execution of any estate planning document in this state;

(4) "Physical presence requirement", includes, but is not limited to, any requirement of physical presence under section 404.705, 459.015, 474.320, or 474.337, or chapter 486.

2. With respect to the execution of an estate planning document, a necessary person shall be deemed to have satisfied any physical presence requirement under Missouri law during the applicable state of emergency if the following requirements were met:

(1) The signor affirmatively represented that the signor was physically situated in the state of Missouri;

(2) The notary was physically located in the state of Missouri and stated in which county the notary was physically located for the jurisdiction on the acknowledgment;

(3) The notary identified the signors to the satisfaction of the notary and Missouri law;

(4) Any person whose signature was required appeared using video conference software where live, interactive audio-visual communication between the principal, notary, and other necessary person allowed for observation, direct interaction, and communication at the time of signing; and

(5) The notary recorded in the notary's journal the exact time and means used to perform the notarial act, along with all other required information, absent the wet signatures.

3. The requirements of subdivisions (1) to (5) of subsection 2 of this section shall be deemed satisfied if an attorney who is licensed or authorized to practice law in Missouri and who was present at the remote execution signs a written acknowledgment made before an officer authorized to administer oaths under the laws of this state, and evidenced by the officer's certificate, under official seal, affixed to or logically associated with the acknowledgment. The form and content of the acknowledgment shall be substantially as follows:

State of _____

County of _____

AFFIDAVIT OF REMOTE EXECUTION OF DOCUMENTS

I, _____, am an attorney licensed or authorized to practice law in the state of Missouri.

On _____ (date), I convened with the following individuals via video conference software that allowed for live, interactive audio-visual communication between the parties to the conference and that also allowed for observation, direction, interaction, and communication between:

_____, the (testator, settlor, grantor, principal, or declarant);

_____, a witness;

_____, a second witness; and

_____, a notary public.

During the conference, _____, the (testator, settlor, grantor, principal, or declarant) signed the following estate planning document or documents: (a will, codicil, power of attorney, durable power of attorney, health care declaration, advance directive, health care power of attorney, revocable trust, irrevocable trust, beneficiary deed, nonprobate transfer, self-proving affidavit of the execution of a will, or a document modifying, amending, correcting, or revoking one of these estate planning documents).

All the parties to the conference represented that they were physically located in the state of Missouri at the time of the signing.

I have reviewed and am familiar with the requirements of the applicable executive order or orders in effect at the time and affirm that the remote execution of the estate planning document or documents met all the requirements of the applicable executive order or orders.

In witness whereof I, an officer authorized to administer oaths, have hereunto subscribed my name and affixed my official seal this _____ (date).

(Signed) _____

(SEAL) _____

(Official capacity of officer)