

An Act

ENROLLED SENATE
BILL NO. 774

By: Sykes of the Senate

and

Echols of the House

An Act relating to trust property; amending 60 O.S. 2011, Sections 31, 32 and 175.47, which relate to estates in real property and suspension of absolute power of alienation; clarifying applicability of provisions; providing that certain power not suspended under certain circumstances; updating statutory reference; clarifying application of common law rule against perpetuities; repealing 60 O.S. 2011, Section 33, which relates to suspension of power of alienation; and providing an effective date.

SUBJECT: Trust property

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 60 O.S. 2011, Section 31, is amended to read as follows:

Section 31. A. The absolute power of alienation shall not be suspended, by any limitation or condition whatever, for a longer period than during the continuance of the lives of persons in being at the creation of the limitation or condition plus twenty-one (21) years, except as provided in Section 34 of Title 60 of the Oklahoma Statutes.

B. The provisions of this section apply solely to real property not held in trust.

SECTION 2. AMENDATORY 60 O.S. 2011, Section 32, is amended to read as follows:

Section 32. A. The absolute ownership of a term of years cannot be suspended for a longer period than the absolute power of alienation can be suspended in respect to a fee.

B. The provisions of this section apply solely to real property not held in trust.

SECTION 3. AMENDATORY 60 O.S. 2011, Section 175.47, is amended to read as follows:

Section 175.47 A. Except as otherwise provided ~~by~~ in subsection B of this section, the absolute power of alienation of real and personal property, or either of them, shall not be suspended by any limitations or conditions whatever for a longer period than during the continuance of a life or lives of the beneficiaries in being at the creation of the estate and twenty-one (21) years thereafter. The absolute power of alienation is not suspended if there is any person in being who, alone or in combination with one or more others, has the power to sell, exchange, or otherwise convey the real or personal property. If the terms of a trust do not suspend the absolute power of alienation of any trust property beyond the term permitted in this subsection, the trust may exist in perpetuity.

B. The provisions of this section shall not apply when property is given, granted, bequeathed, or devised to:

1. A charitable use;
2. Literary, educational, scientific, religious, or charitable corporations for their sole use and benefit;
3. Any cemetery corporation, society or association;
4. The Department of Mental Health and Substance Abuse Services as provided in Section ~~±~~ 2-111 of ~~this act~~ Title 43A of the Oklahoma Statutes; or

5. Gifts absolute, limited, or in trust, for the advancement of medical science to an incorporated state society of physicians and surgeons.

C. Except as provided in this section, the common law rule against perpetuities shall not apply to a trust subject to the trust laws of this state.

SECTION 4. REPEALER 60 O.S. 2011, Section 33, is hereby repealed.

SECTION 5. This act shall become effective November 1, 2015.

Passed the Senate the 11th day of March, 2015.

Presiding Officer of the Senate

Passed the House of Representatives the 15th day of April, 2015.

Presiding Officer of the House
of Representatives

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____

Approved by the Governor of the State of Oklahoma this _____

day of _____, 20_____, at _____ o'clock _____ M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____