

Committee on Judiciary

CS/CS/HB 405 — Trusts

by Judiciary Committee; Civil Justice Subcommittee; and Rep. Peters and others (CS/SB 826 by Judiciary Committee; and Senator Joyner)

A directing trustee is a cotrustee of a trust who has specific powers to the exclusion of other cotrustees, known as excluded trustees. Under existing law, the excluded trustee may be liable for complying with a directive by the directing trustee, if an excluded trustee has actual knowledge of the willful misconduct of the directing cotrustee. Under the bill, institutions or individuals who serve as an excluded trustee are not liable for complying with a directive by a directing cotrustee unless the excluded trustee's conduct constitutes willful misconduct.

If approved by the Governor, these provisions take effect July 1, 2014.

Vote: Senate 35-0; House 115-0