

BILL ANALYSIS

S.B. 1020
By: Creighton
Judiciary & Civil Jurisprudence
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Concerned parties report that Estates Code provisions governing the passage of title and distribution of a decedent's property under a multiple-party account do not provide for the trustee of an express trust to be a beneficiary under such an account. The parties contend that multiple-party accounts are often used in estate planning to move bank deposit accounts to an express trust at the time of death. S.B.1020 seeks to permit responsible persons who wish to utilize the gamut of estate planning tools to name their trustee as the beneficiary of a multiple-party account.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

S.B. 1020 amends the Estates Code to designate a trustee of an "express trust," defined under law as a fiduciary relationship with respect to property which arises as a manifestation by the settlor of an intention to create the relationship and which subjects the person holding title to the property to equitable duties to deal with the property for the benefit of another person, as a beneficiary of a trust account or as a payable-on-death (POD) payee of a POD account for the purposes of statutory provisions governing multiple-party accounts.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2015.