

BILL ANALYSIS

Senate Research Center
77R5411 CAS-F

S.J.R. 26
By: Carona
Jurisprudence
3/6/2001
As Filed

DIGEST AND PURPOSE

Currently, the statutory rule against perpetuities applies to trusts other than charitable trusts. Accordingly, an interest is not good unless it must vest, if at all, not later than 21 years after some life in being at the time of creation of the interest, plus a period of gestation. As proposed, S.J.R. 26 provides that the perpetuities section of the Texas Constitution does not apply to perpetual trusts.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 26, Article I, Texas Constitution, as follows:

Sec. 26. Provides that perpetuities and monopolies are contrary to the genius of a free government, and shall never be allowed, nor shall the law of primogeniture or entailments ever be in force in this State. Provides that this section does not apply to perpetual trusts.

SECTION 2. Requires a proposed constitutional amendment to be submitted to the voters at an election to be held November 6, 2001. Requires the ballot to be printed to permit voting for or against the proposition: "The constitutional amendment removing the prohibition against perpetual trusts."