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No. 331

H.P. 245

House of Representatives, January 31, 2017

An Act To Correct the Maine Uniform Trust Code Concerning Certain Beneficiaries

Reported by Representative MOONEN of Portland for the Probate and Trust Law Advisory Commission pursuant to the Maine Revised Statutes, Title 18-A, section 1-803, subsection 2.

Reference to the Committee on Judiciary suggested and ordered printed pursuant to Joint Rule 218.

A handwritten signature in cursive script that reads "R(t) B. Hunt".

ROBERT B. HUNT
Clerk

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 18-B MRSA §110, sub-§1, ¶C**, as enacted by PL 2005, c. 184, §7, is
3 amended to read:

4 C. Would be a distributee or permissible distributee of trust income or principal if
5 the trust terminated on that date.

6 **SUMMARY**

7 This bill is a recommendation of the Probate and Trust Law Advisory Commission
8 pursuant to the Maine Revised Statutes, Title 18-A, section 1-803, subsection 2.

9 The bill addresses the rights of a charitable organization to enforce a trust of which it
10 is a beneficiary. The Maine Revised Statutes, Title 18-B, section 110 provides that a
11 charitable organization is considered a qualified beneficiary of the trust if it would be
12 considered a distributee or permissible distributee of trust income or principal in 3
13 different situations. One situation is whether the charitable organization would be a
14 distributee or permissible distributee on the date the status is being determined, without
15 providing additional criteria. That provision of current law is inconsistent with the
16 Uniform Trust Code approved by the Uniform Law Commissioners. The Uniform Trust
17 Code provides that a charitable organization is a qualified beneficiary if it would be a
18 distributee or permissible distributee of the trust if the trust were to terminate on that date.
19 This bill amends the current law to be consistent with the Uniform Trust Code, making it
20 clear that the determination is based on whether the charitable organization would be a
21 distributee or permissible distributee if the trust were to terminate on the date that the
22 beneficiary status determination is being made.