

# **Legislature - First Session - 2019**

## **Introducer's Statement of Intent**

### **LB536**

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**Chairperson: Senator Matt Williams**

**Committee: Banking, Commerce and Insurance**

**Date of Hearing: February 04, 2019**

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB536 adopts the Uniform Directed Trust Act. The Uniform Directed Trust Act (UDTA) would provide for a process whereby the settlor of a trust could appoint a trust director who is granted the power of direction over the investment, management, or distribution of trust property or other matters of trust administration. In a directed trust, a person other than a trustee has a power over some aspect of the trust's administration. The UDTA is structured to provide clear, functional rules that allow a settlor to freely structure a directed trust for any situation while preserving key fiduciary safeguards for beneficiaries. The UDTA also provides sensible default rules for a variety of matters that might be overlooked in the drafting of a directed trust, including information sharing among trustees and trust directors, the procedures for accepting appointment as a trust director, the distinction between a power of direction and a nonfiduciary power of appointment, and many other matters.

**Principal Introducer:** \_\_\_\_\_

Senator Patty Pansing Brooks