

This feature presently exists in statute 71-1342 for revocable trusts and is preserved by this amendment for irrevocable trusts. I came to offer this bill last year, Senators, for the simple reason that we had a few cases of individuals who were frugal enough at a time when they had money to lay aside a thousand to fifteen hundred dollars for their burial. As it sat in a bank it gained interest and the interest then put them over the fifteen hundred dollar limit they are allowed to have and still be eligible for Medicaid or SSI. So this amendment is strictly so that these poor people that want to be assured of a decent burial would be allowed to lay this money aside for that purpose and that purpose only. So I would urge you to adopt this amendment to LB 314.

SPEAKER MARVEL: Senator Kahle, your light is on.

SENATOR KAHLE: Mr. Speaker and members, perhaps a question of Senator Higgins.

SPEAKER MARVEL: Senator Higgins, do you yield?

SENATOR HIGGINS: If it is not too difficult.

SENATOR KAHLE: I'm concerned about setting up this trust and who is going to pay the cost of setting it up. Isn't there a simpler way that we could do it?

SENATOR HIGGINS: Well, Senator Kahle, the trust would just mean if they had a fifteen hundred or two thousand dollar CD, they would just set it up with a bank or a savings and loan. There wouldn't be any cost that I can see to it. They would merely agree with the mortician that he would be the beneficiary of the trust upon their death and just leave the money there. In other words, it wouldn't be like drawing up a trust for a Vanderbilt or a Rockefeller.

SENATOR KAHLE: Well I think there would be some cost and you would have to have a trust officer or someone in the family that would handle it and I think it is a more complicated thing to set up a trust than you're talking about. I hope I'm wrong but I believe that it takes an attorney perhaps to draw it up and also there is a procedure of setting up the trust.

SENATOR HIGGINS: I don't see that because we're not talking about setting up a million dollar trust or half a million or a quarter of a million. We're only talking about a mortician and this possible or eventual decedent sitting down and he agrees that he will bury them upon their death for the amount in the trust and, you know, it could be done with one sheet of paper.