

ENROLLED HOUSE  
BILL NO. 1621

By: Vaughn of the House

and

Coffee of the Senate

An Act relating to property; amending 60 O.S. 1991, Section 175.17, which relates to trusts; modifying powers of trustees; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 60 O.S. 1991, Section 175.17, is amended to read as follows:

Section 175.17 Unless it is otherwise provided by the trust instrument, or an amendment thereof, or by court order:

A. Any power vested in three or more trustees may be exercised by a majority of ~~such~~ the trustees; but no trustee who has not joined in exercising a power shall be liable to the beneficiaries or to others for the consequences of ~~such~~ the exercise, nor shall a dissenting trustee be liable for the consequences of an act in which ~~he~~ the trustee joins at the direction of the majority trustees, if ~~he~~ the trustee expressed his dissent in writing to any of ~~his~~ the cotrustees at or before the time of ~~such~~ the joinder.

B. Where two or more trustees are appointed by will or a voluntary trust to execute a trust and one or more of them die, the survivor may execute the trust and may exercise the discretionary powers given to the trustees jointly, unless the terms of the will or agreement express a contrary opinion.

C. Any cotrustee may give a power of attorney to another trustee or authorize a cotrustee to perform any act in the administration of the trust, but ~~such~~ the trustee giving a power of attorney or authorizing an act to be performed by ~~his~~ the cotrustee shall have the same liability and responsibility as if ~~he, himself,~~ the trustee had performed the act done pursuant to ~~such~~ the authorization.

D. Nothing in this section shall excuse a cotrustee from liability for inactivity in the administration of the trust, nor for failure to attempt to prevent a breach of trust.

E. Where two or more trustees, none of whom is the settlor, have the power as trustees to make discretionary distributions of either principal or income to or for the benefit of one of them, the trustee beneficiary may only make such discretionary distributions which provide for the health, education, or maintenance of the trustee beneficiary or to support the trustee beneficiary in an

accustomed manner of living. The provisions of this subsection shall apply to any trust created under a document executed on or before the effective date of this act unless:

1. The trust is revocable or amendable and the settlor revokes or amends the trust at any time to provide otherwise; or

2. The trust is irrevocable and all parties in interest elect affirmatively not to be subject to this subsection. Such election must be made on or before the later of three (3) years after the effective date of this act, or three (3) years after the date on which the trust becomes irrevocable.

SECTION 2. This act shall become effective November 1, 2001.

Passed the House of Representatives the 22nd day of May, 2001.

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Presiding Officer of the House of  
Representatives

Passed the Senate the 24th day of May, 2001.

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Presiding Officer of the Senate