

1 STATE OF OKLAHOMA

2 1st Session of the 55th Legislature (2015)

3 COMMITTEE SUBSTITUTE
4 FOR
5 SENATE BILL NO. 774

By: Sykes

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7 COMMITTEE SUBSTITUTE

8 An Act relating to trust property; amending 60 O.S.
9 2011, Sections 31, 32 and 175.47, which relate to
10 estates in real property and suspension of absolute
11 power of alienation; clarifying applicability of
12 provisions; providing that certain power not
13 suspended under certain circumstances; updating
14 statutory reference; clarifying application of common
15 law rule against perpetuities; repealing 60 O.S.
16 2011, Section 33, which relates to suspension of
17 power of alienation; and providing an effective date.

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

19 SECTION 1. AMENDATORY 60 O.S. 2011, Section 31, is
20 amended to read as follows:

21 Section 31. A. The absolute power of alienation shall not be
22 suspended, by any limitation or condition whatever, for a longer
23 period than during the continuance of the lives of persons in being
24 at the creation of the limitation or condition plus twenty-one (21)
years, except as provided in Section 34 of Title 60 of the Oklahoma
Statutes.

1 B. The provisions of this section apply solely to real property
2 not held in trust.

3 SECTION 2. AMENDATORY 60 O.S. 2011, Section 32, is
4 amended to read as follows:

5 Section 32. A. The absolute ownership of a term of years
6 cannot be suspended for a longer period than the absolute power of
7 alienation can be suspended in respect to a fee.

8 B. The provisions of this section apply solely to real property
9 not held in trust.

10 SECTION 3. AMENDATORY 60 O.S. 2011, Section 175.47, is
11 amended to read as follows:

12 Section 175.47 A. Except as otherwise provided ~~by~~ in
13 subsection B of this section, the absolute power of alienation of
14 real and personal property, or either of them, shall not be
15 suspended by any limitations or conditions whatever for a longer
16 period than during the continuance of a life or lives of the
17 beneficiaries in being at the creation of the estate and twenty-one
18 (21) years thereafter. The absolute power of alienation is not
19 suspended if there is any person in being who, alone or in
20 combination with one or more others, has the power to sell,
21 exchange, or otherwise convey the real or personal property. If the
22 terms of a trust do not suspend the absolute power of alienation of
23 any trust property beyond the term permitted in this subsection, the
24 trust may exist in perpetuity.

1 B. The provisions of this section shall not apply when property
2 is given, granted, bequeathed, or devised to:

3 1. A charitable use;

4 2. Literary, educational, scientific, religious, or charitable
5 corporations for their sole use and benefit;

6 3. Any cemetery corporation, society or association;

7 4. The Department of Mental Health and Substance Abuse Services
8 as provided in Section ~~4~~ 2-111 of ~~this act~~ Title 43A of the Oklahoma
9 Statutes; or

10 5. Gifts absolute, limited, or in trust, for the advancement of
11 medical science to an incorporated state society of physicians and
12 surgeons.

13 C. Except as provided in this section, the common law rule
14 against perpetuities shall not apply to a trust subject to the trust
15 laws of this state.

16 SECTION 4. REPEALER 60 O.S. 2011, Section 33, is hereby
17 repealed.

18 SECTION 5. This act shall become effective November 1, 2015.

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