1	STATE OF OKLAHOMA
2	1st Session of the 57th Legislature (2019)
3	COMMITTEE SUBSTITUTE FOR
4	SENATE BILL NO. 931 By: Rosino
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7	COMMITTEE SUBSTITUTE
8	An Act relating to veteran guardianships; creating the Veterans Volunteer Guardianship Act; requiring
9	certain existing veteran guardianships comply with certain guardianship laws; directing district court
10	to review certain existing guardianships; authorizing guardianship of veteran appointments; specifying type
11	of guardian; providing guardianship petition and order content requirements; making certain
12	guardianship duties, requirements and protections applicable to guardianships established under this
13	act; requiring guardian maintain regular contact with certain entities and individuals; providing ward and
14	guardian eligibility requirements; construing provisions of this act; requiring bond; authorizing
15	waiver or reduction of bond under certain circumstances; directing bond to be provided or
16	reimbursed by the Oklahoma Department of Veterans Affairs under certain conditions; requiring certain
17	federal fiduciary accountings be included in certain annual accountings to the district court; authorizing
18	a guardian to work in consultation with certain federally appointed institutional fiduciary; amending
19	30 O.S. 2011, Sections 3-104 and 3-110, as amended by Section 2, Chapter 320, O.S.L. 2016 (30 O.S. Supp.
20	2018, Section 3-110), which relate to adult guardianships; expanding list of priorities for court
21	selection of guardians; requiring certain notice to the Secretary of the United States Department of
22	Veterans Affairs; updating statutory language; amending 30 O.S. 2011, Section 4-201, which relates
23	to guardian's bond; updating reference; amending 30 O.S. 2011, Section 4-303, which relates to settlement
24	and allowance accounts; updating reference; amending

1 56 O.S. 2011, Section 192, which relates to exemption from costs in guardianship cases; exempting guardianships of persons receiving veteran disability 2 compensation or pension from certain guardianship 3 costs; repealing 72 0.S. 2011, Sections 126.1, 126.2, 126.3, 126.4, 126.5, 126.6, 126.7, 126.8, 126.9, 126.10, 126.11, 126.12, 126.13, 126.14, 126.15, 4 126.16, 126.17, 126.19, 126.20, 126.22 and 126.23, 5 which relate to the Revised Uniform Veterans' Guardianship Act; recodifying 72 O.S. 2011, Section 6 126.18, which relates to proceedings to commitment; providing for codification; and declaring an 7 emergency. 8 9 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA: 10 11 SECTION 1. NEW LAW A new section of law to be codified 12 in the Oklahoma Statutes as Section 191 of Title 72, unless there is created a duplication in numbering, reads as follows: 13 This act shall be known and may be cited as the "Veterans 14 15 Volunteer Guardianship Act". SECTION 2. A new section of law to be codified 16 NEW LAW in the Oklahoma Statutes as Section 192 of Title 72, unless there is 17 created a duplication in numbering, reads as follows: 18 A. 1. Any quardianship established under the authority of the 19 Revised Uniform Veterans' Guardianship Act and in existence on 20 November 1, 2019, shall comply with the provisions of Title 30 of 21 the Oklahoma Statutes for guardianships for an incapacitated person 22 or partially incapacitated adult person and shall remain in full 23 force and effect unless modified or terminated. 24

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2. All guardians shall retain the powers assigned to them,
 unless otherwise modified or terminated by the court.

B. The chief judge of each district court shall establish a
schedule by court rule which shall provide for a court review by
November 1, 2020, of each guardianship case in which a guardian was
appointed pursuant to the Revised Uniform Veterans Guardianship Act
prior to November 1, 2019.

8 SECTION 3. NEW LAW A new section of law to be codified 9 in the Oklahoma Statutes as Section 193 of Title 72, unless there is 10 created a duplication in numbering, reads as follows:

A. A guardian or limited guardian may be appointed for an incapacitated or partially incapacitated adult veteran by the court in accordance with the procedures and requirements in Section 3-101 of Title 30 of the Oklahoma Statutes.

B. A guardian shall be appointed as a general or limited
guardian as defined by Section 1-109 of Title 30 of the Oklahoma
Statutes.

18 C. The petition and orders for guardianship shall cite the 19 Veterans Volunteer Guardianship Act if the guardianship is intended 20 to be governed by and availed of the benefits of the Veterans 21 Volunteer Guardianship Act.

D. Unless otherwise provided in the Veterans Volunteer
Guardianship Act, a guardian appointed to a guardianship established
pursuant to this act shall be subject to all the duties,

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requirements and protections provided to a guardian to an
 incapacitated person or partially incapacitated person under Title
 30 of the Oklahoma Statutes. In addition, the guardian shall
 maintain:

Regular contact with the subject of the proceeding for
 purposes of assessing the person's capabilities, limitations, needs
 and opportunities; and

8 2. If applicable, regular contact with the social workers,
9 health care providers or institutions that provide services to the
10 subject of the proceeding.

11 SECTION 4. NEW LAW A new section of law to be codified 12 in the Oklahoma Statutes as Section 194 of Title 72, unless there is 13 created a duplication in numbering, reads as follows:

A. The subject of the proceeding in a guardianship establishedpursuant to the Veterans Volunteer Guardianship Act shall:

Meet the requirements of "veteran" pursuant to Section 2 of
 Title 72 of the Oklahoma Statutes;

18 2. Be a resident of this state; and

Be in receipt of a veteran's disability compensation or
 pension from the United States Department of Veterans Affairs
 pursuant to Title 38 of the Code of Federal Regulations or in
 receipt of benefits under the Supplemental Nutrition Assistance
 Program.

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B. The current or prospective guardian in a guardianship
 established pursuant to the Veterans Volunteer Guardianship Act
 shall:

4 1. Be an individual;

5 2. Be a resident of this state;

3. Not be related by blood, adoption or marriage to the subject
of the proceeding within the third degree of affinity or
8 consanguinity;

9 4. Not be considered ineligible or barred from serving as a 10 fiduciary for a veterans affairs beneficiary under Section 13.130 of 11 Title 38 of the Code of Federal Regulations; provided, that any 12 guardian appointed under the Veterans Volunteer Guardianship Act 13 that is subsequently denied appointment as a fiduciary shall provide 14 notification to the court within thirty (30) days of receipt of 15 notice of the denial;

5. Serve on a volunteer basis and waive compensation for services as a guardian; provided, the guardian may receive reimbursement of expenses incurred on behalf of the subject of the proceeding that are authorized by court order and subject to the limitations imposed by the court; and

6. Be availed of any benefits and subject to any additional
 requirements promulgated by rules or policy of the Oklahoma
 Department of Veteran Affairs, as the Department deems beneficial to
 the recruitment of community volunteer guardians and protection of

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the interest of the wards, including but not limited to background
 checks.

C. Nothing in this section shall be construed to prevent a guardian or prospective guardian from receiving compensation for services as a fiduciary appointed by the United States Department of Veterans Affairs or as a court-ordered guardian that is otherwise authorized under Title 30 of the Oklahoma Statutes and does not cite authority or request benefits from the provisions of the Veterans Volunteer Guardianship Act.

D. Nothing in this section shall entitle a guardian of the property of a veteran to payments on behalf of the subject of the proceeding for veteran's benefits unless the guardian has made application to the United States Department of Veterans Affairs for appointment as a fiduciary as required by federal law.

15 SECTION 5. NEW LAW A new section of law to be codified 16 in the Oklahoma Statutes as Section 195 of Title 72, unless there is 17 created a duplication in numbering, reads as follows:

A. Before the entry of an order appointing a person as the guardian or limited guardian of the property of an incapacitated or partially incapacitated veteran pursuant to the Veterans Volunteer Guardianship Act is submitted and before the letters of guardianship issue, the court shall require the person to be appointed to provide a bond, in an amount of the value of intangible personal property as alleged in the petition or otherwise determined by the court at the

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1 hearing on the petition, plus projected annual income of the subject 2 of the proceeding from all sources, rounded to the nearest One 3 Hundred Dollars (\$100.00).

B. The court may waive or reduce the amount of the bond
required in subsection A of this section when the guardian's
authority does not include management of the property of the subject
of the proceeding.

The bond shall be provided or reimbursed by the Oklahoma 8 С. 9 Department of Veterans Affairs, subject to availability of funds, 10 provided the guardian and subject of the proceeding meet the requirements in subsections A and B of Section 4 of this act. 11 12 SECTION 6. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 196 of Title 72, unless there is 13 created a duplication in numbering, reads as follows: 14

If the guardian is appointed as a fiduciary by the United 15 Α. States Department of Veterans Affairs pursuant to regulations 16 17 adopted by the Department in any applicable part of Title 38 of the Code of Federal Regulations, the fiduciary accounting provided to 18 the Department pursuant to Section 13.280 of Title 38 of the Code of 19 Federal Regulations shall be included in the annual accounting filed 20 with the district court as part of the annual accounting of a 21 guardian of the property as required by Section 4-303 of Title 30 of 22 the Oklahoma Statutes. 23

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B. A guardian may work in consultation with an institutional
 fiduciary appointed by the Department pursuant to Title 38 of the
 Code of Federal Regulations and include information provided by the
 institutional fiduciary in the annual accounting of a guardian of
 the property as required by Section 4-303 of Title 30 of the
 Oklahoma Statutes.

7 SECTION 7. AMENDATORY 30 O.S. 2011, Section 3-104, is
8 amended to read as follows:

9 Section 3-104. A. The following priorities shall guide the 10 selection by the court of a guardian or limited guardian of an 11 incapacitated or partially incapacitated person from among those 12 eligible:

The individual or individuals nominated by the subject of
 the proceeding pursuant to Section 3-102 of this title;

The current guardian or limited guardian appointed or
 recognized by the appropriate court of any other jurisdiction in
 which the incapacitated or partially incapacitated person resides;
 An individual nominated by the will or by other writing of a

19 deceased parent, spouse, or an adult child who was serving as the 20 guardian or limited guardian of the subject of the proceeding;

4. The spouse of the subject of the proceeding;
 5. An adult child of the subject of the proceeding;
 6. A parent of the subject of the proceeding;
 7. A sibling of the subject of the proceeding; or

1 8. Any individual approved by the court with whom the subject of the proceeding has been living for more than six (6) months prior 2 to the filing of the petition. Provided that any owner, operator, 3 administrator or employee of a facility subject to the provisions of 4 5 the Nursing Home Care Act, the Residential Home Care Act or the Group Homes for the Developmentally Disabled or Physically 6 Handicapped Persons Act shall not be appointed guardian or limited 7 guardian of a resident of such facility unless said the owner, 8 9 operator, administrator or employee is the spouse of said the 10 resident, or a relative of said the resident within the second 11 degree of consanguinity and is otherwise eligible for appointment; 12 or

<u>9. If applicable, an individual volunteer qualified for</u>
<u>appointment as a guardian of a veteran pursuant to the Veterans</u>
Volunteer Guardianship Act.

B. When the guardian or limited guardian of an incapacitated or partially incapacitated person is the guardian of property only, the court may appoint an organization which is eligible to manage the financial resources of an individual and has fiduciary powers, or its successor in interest, when:

Such organization is nominated by the subject of the
 proceeding pursuant to Section 3-102 of this title; or

23 2. Such organization is nominated by a person eligible to make24 such nomination pursuant to Section 3-103 of this title; or

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3. The appointment of such organization is in the best interest
 of the subject of the proceeding.

3 С. The court shall make reasonable inquiry to determine whether the person or organization proposed to serve as the guardian or 4 5 limited guardian of an incapacitated or partially incapacitated person is suitable and will exercise the powers and carry out the 6 duties and responsibilities of guardian or limited guardian in the 7 best interest of the ward. The court shall also inquire of the 8 9 proposed guardian of the person of the ward as to how the guardian 10 proposes to provide for the care of the ward, and of the proposed 11 guardian of the estate of the ward as to how the guardian proposes 12 to manage the property of the ward and to provide for the ward's 13 financial care. The court shall make such orders with respect thereto as the court deems to be for the best interest of the ward. 14

D. A public agency shall not be appointed to serve as guardian for an adult except as provided in Section 1415 of Title 10 and Section 10-108 of Title 43A of the Oklahoma Statutes.

18 SECTION 8. AMENDATORY 30 O.S. 2011, Section 3-110, as 19 amended by Section 2, Chapter 320, O.S.L. 2016 (30 O.S. Supp. 2018, 20 Section 3-110), is amended to read as follows:

21 Section 3-110. A. The court shall cause notice to be served of 22 the time and place of the hearing on the petition requesting the 23 appointment of a guardian for an incapacitated or partially 24 incapacitated person on:

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- 1. The subject of the proceeding; and

The following persons, other than the petitioner, who are 2 2. 3 known to the petitioner or whose existence and address can be ascertained by the petitioner with reasonably diligent efforts: 4 5 a. the spouse, if any, of the subject of the proceeding, the attorney, if any, of the subject of the 6 b. 7 proceeding, all adult children of the subject of the proceeding, 8 с. 9 d. if there is no such adult child, the then living parent or parents of the subject of the proceeding, or 10 if there is no such parent, all adult brothers and 11 e. sisters of the subject of the proceeding, and all 12 adult children of any deceased brothers or sisters of 13 the subject of the proceeding, and all adult 14 grandchildren of the subject of the proceeding; 15 In case no person listed in paragraph 2 of this subsection 16 3. is given notice, notice shall be given to at least one and not more 17 than three of the nearest adult relatives of the subject of the 18 proceeding who are known to the petitioner or whose existence and 19 address can be ascertained with reasonably diligent efforts; 20 4. If not the petitioner, any person or organization which, in 21 the petition, is proposed to serve as guardian or limited guardian 22 or, to the extent such nomination is known to the petitioner, who is 23 24

1 nominated by will or other writing to serve as guardian or limited 2 guardian;

3	5. To the extent known to the petitioner:
4	a. the person or facility having care or custody of the
5	subject of the proceeding, and
6	b. the Department of Human Services or the Department of
7	Mental Health and Substance Abuse Services, if said
8	the Departments are providing services to the subject
9	of the proceeding;
10	6. As appropriate, the Veterans Administration pursuant to
11	Section 126.8 of Title 72 of the Oklahoma Statutes Secretary of the
12	United States Department of Veterans Affairs if the subject of the
13	proceeding is a veteran and is reasonably believed to be eligible
14	for or in receipt of benefits or services from the Department; and
15	7. Any other person as directed by the court.
16	B. A copy of the pleading which gave rise to the notice shall
17	be attached to any notice served pursuant to this section.
18	C. Except for actions appointing a special guardian pursuant to
19	Section 3-115 of this title:
20	1. Notice shall be served personally on the individual who is
21	the subject of the proceeding at least ten (10) days before the time
22	set for hearing. Such personal service may be made by the attorney
23	for the petitioner, sheriff, or licensed process server. The person
24	making such services shall make proper return thereof; and

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1	2. Notice to other persons entitled to notice of a hearing on
2	the original petition requesting the appointment of a guardian shall
3	be mailed by regular first-class mail at least ten (10) days before
4	the time set for the hearing. Such service by mail may be made by
5	the court clerk, deputy court clerk or attorney for the petitioner.
6	D. The notice to the subject of the proceeding shall set forth
7	the date, time, place, and purpose of the hearing to which the
8	notice refers. Such notice shall be substantially in the following
9	form:
10	NOTICE OF HEARING
11	TO:
12	(Name of subject of proceeding)
13	Service Address
14	You are hereby notified that a petition has been filed alleging that
15	you are an incapacitated, partially incapacitated person and
16	are incapable of caring for yourself, managing your property.
17	The petition requests that a guardian, limited guardian be
18	appointed by the court to make decisions for you regarding
19	yourself, your property. A copy of the petition is attached.
20	The hearing on the petition will be held on
21	··
22	(date, time and place of the hearing)
23	

At the hearing a () guardian, () limited guardian may be appointed for your () person, () property. The judge will explain to you the nature, purpose and effect of the proceedings.

You have the right to attend the hearing. You may confront and cross-examine all witnesses and present your own witnesses. You have the right to request that your hearing be closed to the public. You may request that an expert be appointed to examine you and if the judge believes that an examination is necessary, the judge will order an evaluation to be done.

You have the right to hire an attorney of your choice to represent you. If you do not have an attorney and you wish to be represented by an attorney at the hearing, the court will appoint one for you. You may request the appointment of an attorney orally or in writing prior to the hearing or at the hearing. If you are able, you will be required to pay the cost of an attorney appointed by the court.

17 SECTION 9. AMENDATORY 30 O.S. 2011, Section 4-201, is 18 amended to read as follows:

19 Section 4-201. A. Before the entry of an order appointing a 20 person or organization as a guardian of the person and before the 21 letters <u>of guardianship</u> issue, the court may require the person or 22 organization to be appointed to provide a bond to this state, with 23 sufficient sureties, to be approved by the court, and in such penal

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sum as the court shall order, conditioned that the guardian will
 faithfully execute the duties of the trust according to law.

3 1. Before the entry of an order appointing a person or Β. organization as the quardian of a minor or as the quardian or 4 limited guardian of the property of an incapacitated or partially 5 incapacitated person takes effect, and before the letters of 6 7 guardianship issue, the court shall require the person or organization to be appointed to provide a bond, in an amount not 8 9 less than the value of intangible personal property as alleged in 10 the petition or otherwise determined by the court at the hearing on the petition, to this state, with sufficient sureties, to be 11 12 approved by the court, and in such penal sum as the court shall order, conditioned that the guardian will faithfully execute the 13 duties of the trust according to law. 14

15 2. Except as otherwise provided by paragraph 3 of this 16 subsection, upon a finding by the court that the anticipated annual 17 income to a ward for one (1) year plus the value of the personal 18 property of the ward is less than Forty Thousand Dollars 19 (\$40,000.00), the court may order that a bond is not necessary. For 20 purposes of this paragraph, personal property shall not include 21 property owned with a joint tenant.

3. The provisions of this section shall not apply to cases
subject to the Uniform Veterans Guardianship Act Veterans Volunteer
<u>Guardianship Act</u>.

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1 C. In the event the intangible personal property of the ward, 2 as determined by the inventory, is in a greater amount than as alleged in the petition or determined by the court at the hearing on 3 the petition, the quardian shall file at the time the inventory is 4 5 filed a bond sufficient for the full amount of the intangible personal property, which bond will be in substitution for the bond 6 7 originally filed on the appointment of the guardian. The amount of the bond in the future may be adjusted up or down in amount based 8 9 upon the intangible personal property shown in future annual 10 accountings; provided, however, no bond shall be reduced except upon 11 order of the court.

12 SECTION 10. AMENDATORY 30 O.S. 2011, Section 4-303, is 13 amended to read as follows:

Section 4-303. A. Except as otherwise provided by subsection B of this section, a guardian or limited guardian of the property shall, upon the expiration of a year from the time of appointment, and at least annually thereafter, present accounts to the court for settlement and allowance as part of the guardianship report as required by Section 4-306 of this title.

20 B. 1. In addition, a guardian or limited guardian of the 21 property shall:

a. present accounts whenever the court requires that suchreport or accounts be presented, and

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b. with the annual report of accounts, report any changes
of property listed on the inventory required by
Section 4-301 of this title. The report shall state
the compensation requested by the guardian and for the
attorneys.

2. If there has been a significant change in the physical or
mental condition of the ward, or the ward's financial resources, the
details thereof shall be set forth in the annual report required by
subsection A of this section.

10 3. Except as otherwise directed by the court or required by the 11 Uniform Veteran's Guardianship Act (72 U.S.C. 126.1, et seq.) 12 Veterans Volunteer Guardianship Act, the provisions of this subsection regarding the filing of an annual accounting and annual 13 plan shall not apply to any guardianship of the property of a ward 14 if the ward's financial resources or assets, other than a homestead, 15 are worth less than Forty Thousand Dollars (\$40,000.00) if a bond 16 17 has been posted, or are worth less than Ten Thousand Dollars (\$10,000.00) regardless of whether or not a bond has been posted, 18 and if the quardian or limited quardian of the property is the 19 spouse or a relative of the ward within the fourth degree of 20 consanguinity. 21

C. In addition to the reports required by subsections A and B of this section, a guardian or limited guardian shall submit a report:

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If the ward is an incapacitated or partially incapacitated
 person, when there is a significant change in the capacity of the
 ward to meet the essential requirements for the physical health or
 safety of the ward or to manage the financial resources of the ward;
 If the ward is a minor, any significant change in the
 condition of the minor or in the condition of the estate of the
 minor;

8 3. When the guardian or limited guardian resigns or is removed;9 and

10 4. When the guardianship is terminated.

D. 1. Unless waived at the discretion of the court, a guardian or limited guardian of the person of an incapacitated or partially incapacitated person shall file a report on the guardianship of the person pursuant to Section 4-305 of this title.

15 2. A guardian of the person of a minor ward shall not be 16 required to file annual reports of the guardianship of the person of 17 the ward unless ordered by the court.

3. A guardian or limited guardian of the property of a ward
shall file a report on the guardianship of the property pursuant to
Section 4-306 of this title.

E. The court shall not waive the filing of any report for a period in excess of five (5) years.

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F. If the same person or organization is required to file
 reports as to both the person and the property of a ward, the
 reports may be consolidated.

An Any accounting information submitted by a quardian or 4 G. 5 limited quardian of the property of a ward shall be verified and shall be rendered in the same manner as required by Title 58 of the 6 7 Oklahoma Statutes with respect to an any information of an estate of a decedent. Such information shall also set forth any charges to 8 9 the property of the ward which have accrued since the previous 10 accounting or, in the case of an initial accounting, since the 11 filing of an inventory of the property of the ward placed under the 12 control of the guardian or limited guardian.

H. In addition to other specified information any order of the court approving an annual guardianship plan and report shall include the date certain by which the guardian shall file the next annual report.

17 SECTION 11. AMENDATORY 56 O.S. 2011, Section 192, is 18 amended to read as follows:

Section 192. No costs shall be charged whatsoever either by the court clerk or by the county judge of the district court in cases involving the guardianship of persons who are applicants for, or who are receiving old-age or other assistance under the Social Security Laws of this state <u>Social Security benefits or assistance or</u>

24 veterans disability compensation or pension.

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1	SECTION 12. REPEALER 72 O.S. 2011, Sections 126.1,
2	126.2, 126.3, 126.4, 126.5, 126.6, 126.7, 126.8, 126.9, 126.10,
З	126.11, 126.12, 126.13, 126.14, 126.15, 126.16, 126.17, 126.19,
4	126.20, 126.22 and 126.23, are hereby repealed.
5	SECTION 13. RECODIFICATION 72 O.S. 2011, Section 126.18,
6	shall be recodified as Section 197 of Title 72 of the Oklahoma
7	Statutes, unless there is created a duplication in numbering.
8	SECTION 14. It being immediately necessary for the preservation
9	of the public peace, health or safety, an emergency is hereby
10	declared to exist, by reason whereof this act shall take effect and
11	be in full force from and after its passage and approval.
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