

Bill Summary
1st Session of the 58th Legislature

Bill No.:	SB 162
Version:	INT
Request No.:	29
Author:	Sen. Howard
Date:	12/18/2020

Bill Analysis

SB 162 creates the Oklahoma Decanting Act. The measure provides for the authorized trustee with full discretion to distribute the principal of the trust to distribute all or part of the principal of that trust in favor of a trustee of a second trust for the benefit of the current trust. Authorized trustees may grant a power of appointment in the second trust to one or more of the current beneficiaries of the first trust who is eligible to receive the principal outright under the terms of the first trust. The measure also authorizes petitioners to petition a court to order a distribution.

Authorized trustees with limited discretion to distribute the trust may distribute all or part of the principal of that trust in favor of a trustee of a second trust, provided the beneficiaries of the second trust are substantially the same as the members of the current trust. The measure authorizes special-needs fiduciaries to exercise similar distribution powers as authorized trustees with full discretion. The measure authorizes the interest of a special-needs trust to have an interest in additional financial tools, such as a pooled trust as defined by Medicaid law for the benefit of the beneficiary with a disability. The measure describes various notification requirements associated with “decanting” a trust.

Prepared by: Kalen Taylor