

BILL ANALYSIS

Senate Research Center
78R2257 KCR-F

S.B. 574
By: Harris
Jurisprudence
4/7/2003
As Filed

DIGEST AND PURPOSE

Currently a trustee can be removed in accordance with the terms of the trust instrument if certain conditions apply. As proposed, S.B. 574 clarifies that the court has discretion to decide whether to remove a trustee if certain conditions are met and it makes it possible to remove a trustee if that trustee fails to make a required accounting.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 113.082(a), Property Code, to add a new condition to existing text relating to the removal of a trustee.

SECTION 2. Amends Section 113.151(a), Property Code, to authorize any beneficiary of the trust, if the trustee fails or refuses to deliver an accounting statement on or before the 60th day after the date the trustee receives the demand or after a longer period ordered by a court, to file suit to compel the trustee to deliver the statement to all beneficiaries of the trust. Authorizes the court, if a beneficiary is successful in the suit to compel a statement under this section, to award all costs of court and all of the suing beneficiary's reasonable and necessary attorney's fees and costs against the trustee in the trustee's individual capacity, rather than in the trustee's capacity as trustee.

SECTION 3. Effective date: September 1, 2003.
Makes application of this Act prospective.