

## **BILL ANALYSIS**

Senate Research Center  
80R10696 AJA-D

S.B. 1518  
By: Wentworth  
Jurisprudence  
3/30/2007  
As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Under the Property Code, a trustee may be removed in accordance with the trust instrument or by a court upon petition by an interested person. However, beneficiaries and grantors do not have such authority.

As proposed, S.B. 1518 authorizes the removal of a trustee by the agreement of the grantor and all beneficiaries. This bill requires the trustee to resign or petition a court for discharge upon the written notice of removal and entitles trustees to petition a court for discharge to reasonable attorney's fees incurred in the proceeding.

### **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, Property Code, by adding Subsections (d) and (e), as follows:

(d) Requires that a trustee be removed if the grantor and each beneficiary agrees to the removal and signs a written notice of removal to be provided to the trustee. Authorizes the trustee, on receipt of said notice, to resign or petition a court for discharge. Entitles a petitioning trustee to the trustee's reasonable attorney's fees incurred in the proceeding.

(e) Defines "beneficiary" for the purposes of Subsection (d). Authorizes certain persons to act on behalf of a minor or an otherwise incapacitated beneficiary.

SECTION 2. Effective date: September 1, 2007.