

Reprinted 3/10/85

SENATE FILE 377

BY COMMITTEE ON JUDICIARY
S.B. 229 approved 3/7/85 (p. 283)

FILED MAR 4 1985

Passed Senate, Date 3-8-85 (p. 681) Passed House, Date 4-15-85 (p. 1541)
Vote: Ayes 48 Nays 0 Vote: Ayes 94 Nays 0
Approved May 20, 1985

A BILL FOR

1 An Act relating to the jurisdiction of the probate court with
2 respect to trusts administered by banks and trust companies.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

S-3198 SENATE FILE 377

- 1 Amend Senate File 377 as follows:
- 2 1. Page 1, line 19, by striking the words
- 3 "beneficiary or" and inserting the words "beneficiary,
- 4 an".
- 5 2. Page 1, line 20, by inserting after the word
- 6 "party" the words ", or if otherwise provided by the
- 7 governing instrument".

S-3198 Filed
March 5, 1985
Adopted 3/8 (p. 281)

By HOLT

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1 Section 1. Section 633.10, subsection 4, Code 1985, is
2 amended to read as follows:

3 4. Trusts and trustees.

4 The Except as otherwise provided in this subsection, the
5 appointment of trustees; the granting of letters of
6 trusteeship; the administration of testamentary trusts; the
7 administration of express trusts where jurisdiction is
8 specifically conferred on the court by the trust instrument;
9 the administration of express trusts where the administration
10 of the court is invoked by the trustee, beneficiary or any
11 interested party; the administration of trusts which are
12 established by a decree of court and result in the
13 administration thereof by the court; and the settlement and
14 closing of all such trusts.

15 A trust which is administered solely or jointly by a bank
16 or trust company organized under the laws of the United States
17 or a state bank pursuant to section 633.63, subsection 2, is
18 not subject to the jurisdiction of the court unless
19 jurisdiction is invoked by the trustee, beneficiary or other
20 interested party. Upon application by a bank or trust company
21 administering a trust which is in existence on the effective
22 date of this Act and is subject to the court's jurisdiction,
23 the court may for good cause shown release the trust from
24 further jurisdiction on the condition that jurisdiction may be
25 invoked by the trustee, beneficiary or other interested party.

26 Sec. 2. NEW SECTION. 633.703A APPLICABILITY.

27 Sections 633.700 through 633.703 do not apply to a trust
28 which is not subject to the jurisdiction of the court as
29 provided in section 633.10, subsection 4.

30 EXPLANATION

31 This bill provides that trusts administered by banks and
32 trust companies are not subject to the jurisdiction of the
33 probate court unless jurisdiction is invoked by the trustee,
34 beneficiary or other interested party. As to a currently
35 existing trust administered by a bank or trust company, the

1 court could release the trust from jurisdiction for good cause
2 shown, on the condition that jurisdiction could be invoked by
3 the trustee, beneficiary or other interested party.

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Judiciary and Law Enforcement: Kremer, Chair; Peterson and Tabor.

Amend. (3679) v Do Pass 4/8/85

SENATE FILE 377

BY COMMITTEE ON JUDICIARY

(AS AMENDED AND PASSED BY THE SENATE MARCH 8, 1985)

Re Passed Senate, Date 4-24-85 (p. 1615) Passed House, Date 4-15-85 (p. 1541)

Vote: Ayes 42 Nays 0 Vote: Ayes 94 Nays 0

Approved May 20, 1985

A BILL FOR

1 An Act relating to the jurisdiction of the probate court with
2 respect to trusts administered by banks and trust companies.

SENATE FILE 377

H-3679

1 Amend Senate File 377 as amended, passed and
2 reprinted Senate as follows:

3 1. Page 1, by striking lines 16 and 17 and
4 inserting the following: "or trust company referred
5 to in section 633.63, subsection 2, is".

6 2. Page 1, by striking lines 19 and 20 and
7 inserting the following: "jurisdiction is invoked by
8 the trustee or beneficiary, or if otherwise provided
9 by the governing".

10 3. Page 1, by striking line 26 and inserting the
11 following: "thereafter invoked by the trustee or
12 beneficiary."

Adopted as amended by 3702 4/15

H-3679 FILED APRIL 8, 1985

BY COMMITTEE ON JUDICIARY
AND LAW ENFORCEMENT

SENATE FILE 377

H-3702

1 Amend the committee amendment H-3679 to Senate File
2 377 as amended, passed and reprinted by the Senate as
3 follows:

4 1. Page 1, by inserting after line 12 the
5 following:

6 "____. Page 1, by striking lines 27 through 30 and
7 inserting the following:

8 "Sec. 2. Section 682.60, Code 1985, is amended to
9 read as follows:

10 682.60 POWERS AND DUTIES OF TRUSTEES NOT SUBJECT
11 TO COURT ADMINISTRATION.

12 Trustees of **express** trusts not being administered
13 in the probate court, shall have all the powers and
14 shall be subject to all the duties and liabilities as
15 provided in the probate code, except the duty of
16 reporting to or obtaining approval of the court.""

H-3702 FILED APRIL 9, 1985

BY KREMER of Buchanan

Adopted 4/15/85 (p. 1541)

1 Section 1. Section 633.10, subsection 4, Code 1985, is
2 amended to read as follows:

3 4. Trusts and trustees.

4 ~~The~~ Except as otherwise provided in this subsection, the
5 appointment of trustees; the granting of letters of
6 trusteeship; the administration of testamentary trusts; the
7 administration of express trusts where jurisdiction is
8 specifically conferred on the court by the trust instrument;
9 the administration of express trusts where the administration
10 of the court is invoked by the trustee, beneficiary or any
11 interested party; the administration of trusts which are
12 established by a decree of court and result in the
13 administration thereof by the court; and the settlement and
14 closing of all such trusts.

15 A trust which is administered solely or jointly by a bank
16 or trust company organized under the laws of the United States
17 or a state bank pursuant to section 633.63, subsection 2, is
18 not subject to the jurisdiction of the court unless
19 jurisdiction is invoked by the trustee, beneficiary, an other
20 interested party, or if otherwise provided by the governing
21 instrument. Upon application by a bank or trust company
22 administering a trust which is in existence on the effective
23 date of this Act and is subject to the court's jurisdiction,
24 the court may for good cause shown release the trust from
25 further jurisdiction on the condition that jurisdiction may be
26 invoked by the trustee, beneficiary or other interested party.

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11 following: "thereafter invoked by the trustee or
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14 inserting the following:
15 "Sec. 2. Section 682.60, Code 1985, is amended to
16 read as follows:
17 682.60 POWERS AND DUTIES OF TRUSTEES NOT SUBJECT
18 TO COURT ADMINISTRATION.
19 Trustees of express trusts not being administered
20 in the probate court, shall have all the powers and
21 shall be subject to all the duties and liabilities as
22 provided in the probate code, except the duty of
23 reporting to or obtaining approval of the court."

S-3778 Filed April 17, 1985

RECEIVED FROM THE HOUSE

Senate concurred 4/24/85 (p 1615)

SSB 229
Judiciary
SENATE FILE J377

BY (PROPOSED COMMITTEE ON
JUDICIARY BILL)

*New
SF 277*

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

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20 interested party. Upon application by a bank or trust company
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22 date of this Act and is subject to the court's jurisdiction,
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SENATE FILE 377

AN ACT

RELATING TO THE JURISDICTION OF THE PROBATE COURT WITH RE-
SPECT TO TRUSTS ADMINISTERED BY BANKS AND TRUST COMPANIES.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 633.10, subsection 4, Code 1985, is amended to read as follows:

4. Trusts and trustees.

The Except as otherwise provided in this subsection, the appointment of trustees; the granting of letters of trusteeship; the administration of testamentary trusts; the administration of express trusts where jurisdiction is specifically conferred on the court by the trust instrument; the administration of express trusts where the administration of the court is invoked by the trustee, beneficiary or any interested party; the administration of trusts which are established by a decree of court and result in the administration thereof by the court; and the settlement and closing of all such trusts.

A trust which is administered solely or jointly by a bank or trust company referred to in section 633.63, subsection 2, is not subject to the jurisdiction of the court unless jurisdiction is invoked by the trustee or beneficiary, or if otherwise provided by the governing instrument. Upon application by a bank or trust company administering a trust which is in existence on the effective date of this Act and is subject to the court's jurisdiction, the court may for good cause shown release the trust from further jurisdiction on the condition that jurisdiction may be thereafter invoked by the trustee or beneficiary.

Sec. 2. Section 682.60, Code 1985, is amended to read as follows:

682.60 POWERS AND DUTIES OF TRUSTEES NOT SUBJECT TO COURT ADMINISTRATION.

Trustees of ~~express~~ trusts not being administered in the probate court, shall have all the powers and shall be subject to all the duties and liabilities as provided in the probate code, except the duty of reporting to or obtaining approval of the court.

ROBERT T. ANDERSON
President of the Senate

DONALD D. AVENSON
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 377, Seventy-first General Assembly.

K. MARIE THAYER
Secretary of the Senate

Approved May 20, 1985

TERRY E. BRANSTAD
Governor

S.F. 377