

CHAPTER 154**PROBATE JURISDICTION OVER TRUSTS***S.F. 377*

AN ACT relating to the jurisdiction of the probate court with respect 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.

Approved May 20, 1985