



# Trust Division

A DIVISION of KBA

January 31, 2023

To: House Committee on Judiciary Representative Fred Patton, Chairman

From: Joe Karnes, CTFA-Trust Division, Kansas Bankers Association

**Re: Written Proponent Testimony – HB 2172**

Mr. Chairman and committee members, I am Joe Karnes providing this testimony on behalf of the Trust Division of the Kansas Bankers Association. The Trust Division of the KBA has been working to support Kansas banks for more than 100 years. We thank you for the opportunity to provide testimony in support of HB 2172 which will modernize Kansas Trust Law. We believe the proposed changes will make Kansas Banks and Trust Companies more flexible, more competitive, and better able to serve our state's residents with their estate planning.

Decanting is a term used to describe the distribution of assets from one trust into a second trust for the benefit of the beneficiary(ies). This is typically used to correct outdated terms or drafting errors in the first trust. It is always done at the discretion of the trustee, not the beneficiary. Many states, including our surrounding states of Missouri, Colorado, Oklahoma, and Nebraska, already have decanting statutes. By adopting this legislation Kansas estate planners will have more legal guidance than they currently do under the common law for decanting. The addition of a decanting statute will be another step in the right direction to allow our Kansas Banks and Trust Companies to compete with our surrounding states.

Thank you for the opportunity to provide written proponent testimony on HB 2172. When the Committee considers acting on this legislation, we respectfully ask for favorable consideration.

Mr. Chairman, if you or any committee member have questions or require additional information, please contact me at [joeka@centralnational.com](mailto:joeka@centralnational.com) or 785-838-1962.