

KANSAS OFFICE *of*  
**REVISOR *of* STATUTES**

LEGISLATURE *of* THE STATE *of* KANSAS  
*Legislative Attorneys transforming ideas into legislation.*

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**MEMORANDUM**

To: Chairman Kelly and members of the House Financial Institutions and Rural Development Committee  
From: Office of Revisor of Statutes  
Date: March 7, 2022  
Subject: **Sub SB 400; Substitute for SB 400 by Committee on Financial Institutions and Insurance - Updating certain requirements and conditions relating to the creation, modification and termination of trusts in the Kansas uniform trust code and updating the definition of resident trust for tax purposes.**

Substitute for Senate Bill No. 400 updates certain requirements in the Kansas uniform trust code by adding to the list of matters that may be resolved by nonjudicial settlement agreements; increasing the threshold at which an uneconomic trust may be terminated and updating the definition of resident trust.

Section 1 amends K.S.A. 58a-111 to add the following matters to the list of matters that may be resolved by nonjudicial settlement agreement:

- A. The interpretation or construction of the terms of the trust
- B. The direction to a trustee to refrain from performing a particular act or the grant to a trustee of any necessary or desirable power.
- C. The governing law of the trust.

Section 2 amends K.S.A. 58a-1154 by allowing the trustee of a trust with a total value of less than \$250,000 to terminate such trust if the trustee concludes that the value of the trust is insufficient to justify the cost of administration. Current law establishes the threshold for uneconomic trust termination at \$100,000 or less.

Section 3 amends K.S.A. 79-32,109 to change the definition of "resident trust" to "a trust that is administered in this state and that was created by or consists of property owned by a person domiciled in this state on the date the trust or portion of the trust became irrevocable."

The Senate passed the bill 40-0 on February 23, 2022.