

February 1, 2022

The Honorable Jeff Longbine, Chairperson
Senate Committee on Financial Institutions & Insurance
Statehouse, Room 546-S
Topeka, Kansas 66612

Dear Senator Longbine:

SUBJECT: Fiscal Note for SB 400 by Senate Committee on Financial Institutions and Insurance

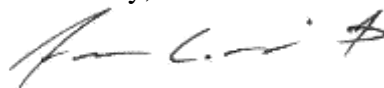
In accordance with KSA 75-3715a, the following fiscal note concerning SB 400 is respectfully submitted to your committee.

SB 400 would update certain requirements and conditions related to the creation, modification, and termination of trusts in the Kansas Uniform Trust Code. The bill would:

1. Create an opt-out provision for the rule against perpetuities and what rule against accumulations would or would not apply to trusts;
2. Allow for a trustee to create a new trust by moving all the contents of one trust into a second new trust;
3. Include standards and limits to create a new trust;
4. Expand the list of matters that could be resolved by a nonjudicial settlement agreement;
5. Increase the threshold to which an uneconomic trust could be terminated; and
6. Update the definition of "resident trust" and would eliminate the definition of "nonresident trust."

The Office of Judicial Administration states enactment of the bill would have a negligible fiscal effect on Judicial Branch operations. Any fiscal effect associated with SB 400 is not reflected in *The FY 2023 Governor's Budget Report*.

Sincerely,



Adam Proffitt
Director of the Budget

cc: Vicki Jacobsen, Judiciary
Willie Prescott, Office of the Attorney General
Lynn Robinson, Department of Revenue