

AN ACT

relating to the authority of a guardian of the estate of a ward to make certain gifts of the ward's estate for estate planning purposes.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 865, Texas Probate Code, is amended by adding Subsection (f) to read as follows:

(f) In an order entered under Subsection (a) of this section, the court may authorize the guardian to make gifts as provided by Subsection (a) of this section on an annual or other periodic basis without subsequent application to or order of the court if the court finds it to be in the best interest of the ward and the ward's estate. The court, on the court's own motion or on the motion of a person interested in the welfare of the ward, may modify or set aside an order entered under this subsection if the court finds that the ward's financial condition has changed in such a manner that authorizing the guardian to make gifts of the estate on a continuing basis is no longer in the best interest of the ward and the ward's estate.

SECTION 2. The change in law made by this Act to Section 865, Texas Probate Code, applies only to an application for the establishment of an estate plan filed on or after the effective date of this Act. An application for the establishment of an estate plan filed before the effective date of this Act is governed by the law

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1 in effect on the date the application was filed, and the former law
2 is continued in effect for that purpose.

3 SECTION 3. This Act takes effect September 1, 2005.

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President of the Senate

Speaker of the House

I certify that H.B. No. 1501 was passed by the House on April 7, 2005, by a non-record vote.

Chief Clerk of the House

I certify that H.B. No. 1501 was passed by the Senate on May 17, 2005, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor