

By: Thompson of Harris

H.B. No. 2461

A BILL TO BE ENTITLED

AN ACT

relating to use of spendthrift trust assets to pay certain costs.

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

SECTION 1. Section 112.035, Property Code, is amended by adding Subsection (g) to read as follows:

(g) Notwithstanding any language in a trust instrument creating a spendthrift trust, a court exercising jurisdiction over a ward or a proposed ward in a guardianship proceeding may require the trust to pay the costs of the proceeding if the ward or proposed ward is or becomes the beneficiary of a trust with sufficient assets to pay those costs.

SECTION 2. (a) Except as otherwise expressly provided by a trust, a will creating a trust, or this section, the changes in law made by this Act apply to a trust existing or created on or after September 1, 2013.

(b) For a trust existing on September 1, 2013, that was created before that date, the changes in law made by this Act apply only with respect to a guardianship proceeding commenced on or after September 1, 2013.

SECTION 3. This Act takes effect September 1, 2013.