

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION**

**May 10, 2019**

**TO:** Honorable Joan Huffman, Chair, Senate Committee on State Affairs

**FROM:** John McGeady, Assistant Director    Sarah Keyton, Assistant Director  
Legislative Budget Board

**IN RE: HB2245** by Wray (Relating to trusts.), **As Engrossed**

**No fiscal implication to the State is anticipated.**

The bill clarifies that the terms of a trust may not limit the ability of a court to require a trustee to disgorge a payment received in bad faith from the trust. New provisions are created to automatically terminate certain trusts (in most circumstances) when the settlors and beneficiaries divorce. Procedures are also created to address joint trusts created by spouses who divorce. Revisions are made to allow for the transfer of management trusts to become subaccounts in a pooled trust which meets the requirements for an exemption under federal law to allow a disabled individual to be eligible for medical assistance.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 212 Office of Court Administration, Texas Judicial Council

**LBB Staff:** WP, CMa, SLE, SD, SJS