

MAINE STATE LEGISLATURE

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LAWS
OF THE
STATE OF MAINE

AS PASSED BY THE

ONE HUNDRED AND TWENTY-FIFTH LEGISLATURE

FIRST REGULAR SESSION
December 1, 2010 to June 29, 2011

THE GENERAL EFFECTIVE DATE FOR
FIRST REGULAR SESSION
NON-EMERGENCY LAWS IS
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IN ACCORDANCE WITH THE MAINE REVISED STATUTES ANNOTATED,
TITLE 3, SECTION 163-A, SUBSECTION 4.

Augusta, Maine
2011

must write the words "second ballot issued" on the return envelope.

See title page for effective date.

CHAPTER 41
S.P. 18 - L.D. 3

**An Act To Clarify Joint
Tenancy Reinstatement**

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 33 MRSA §159, as amended by PL 1973, c. 788, §164, is further amended by adding at the end a new paragraph to read:

A conveyance on or after January 1, 2012 by a taxing or assessing authority of real property acquired from joint tenants by foreclosure of a tax or assessment lien mortgage, if made to such persons, recreates the joint tenancy held by the persons at the time of the foreclosure unless otherwise indicated anywhere in the conveyance by appropriate language.

See title page for effective date.

CHAPTER 42
H.P. 415 - L.D. 532

**An Act To Update the Maine
Uniform Trust Code**

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 18-B MRSA §103, sub-§4-A is enacted to read:

4-A. Current beneficiary. "Current beneficiary" means a beneficiary who, on the date the beneficiary's qualification is determined, is a distributee or permissible distributee of trust income or principal.

Sec. 2. 18-B MRSA §105, sub-§2, ¶H, as amended by PL 2005, c. 184, §5, is further amended to read:

H. Subject to subsection 3, the duty under section 813, subsection 2, paragraphs B and C to notify qualified current beneficiaries of an irrevocable trust who have attained 25 years of age of the existence of the trust, of the identity of the trustee and of their right to request trustee's reports;

Sec. 3. 18-B MRSA §105, sub-§2, ¶I, as amended by PL 2005, c. 184, §5, is further amended to read:

I. Subject to subsection 3, the duty under section 813, subsection 1 to respond to the request of a qualified current beneficiary of an irrevocable

trust for trustee's reports and other information reasonably related to the administration of a trust;

Sec. 4. 18-B MRSA §105, sub-§3, ¶B, as enacted by PL 2005, c. 184, §6, is amended to read:

B. ~~Designating~~ With respect to one or more of the current beneficiaries as to whom the settlor has waived or modified such duties, designating a person or persons, any of whom may or may not be a beneficiary, to act in good faith to protect the interests of the qualified current beneficiaries who are not receiving notice, information or reports and to receive any notice, information or reports required under section 813, subsection 1 or 2 in lieu of providing such notice, information or reports to the qualified current beneficiaries. The person or persons designated under this paragraph are deemed to be representatives of the qualified current beneficiaries not receiving notice, information or reports for the purposes of the time limitation for a beneficiary to commence an action against the trustee for breach of trust as provided in section 1005, subsection 1.

Sec. 5. 18-B MRSA §504, sub-§3, as enacted by PL 2005, c. 184, §12, is repealed and the following enacted in its place:

3. Creditor limited. If a trustee's or cotrustee's discretion to make distributions for the trustee's or cotrustee's own benefit is limited by an ascertainable standard, a creditor may not reach or compel distribution of the beneficial interest except to the extent the interest would be subject to the creditor's claim were the beneficiary not acting as trustee or cotrustee.

Sec. 6. 18-B MRSA §506, as enacted by PL 2003, c. 618, Pt. A, §1 and affected by §2, is repealed and the following enacted in its place:

§506. Overdue distribution

1. Definitions. As used in this section, unless the context otherwise indicates, "mandatory distribution" means a distribution of income or principal that a trustee is required to make to a beneficiary under the terms of a trust, including a distribution upon termination of the trust. "Mandatory distribution" does not include a distribution subject to the exercise of the trustee's discretion even if:

A. The discretion is expressed in the form of a standard of distribution; or

B. The terms of the trust authorizing a distribution couple language of discretion with language of direction.

2. Unreasonable delay in distribution. Whether or not a trust contains a spendthrift provision, a creditor or assignee of a beneficiary may reach a mandatory distribution of income or principal, including a distri-