



LOUISIANA STATE LAW INSTITUTE

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September 9, 2021

Senator Patrick Page Cortez
President of the Senate
P.O. Box 94183
Baton Rouge, Louisiana 70804

Representative Clay Schexnayder
Speaker of the House of Representatives
P.O. Box 94062
Baton Rouge, Louisiana 70804

**RE: SENATE CONCURRENT RESOLUTION NO. 10 OF THE 2020 SECOND
EXTRAORDINARY SESSION**

Dear Mr. President and Mr. Speaker:

The Louisiana State Law Institute respectfully submits its interim report relative to trust protections for minors and disabled adults and other matters.

Sincerely,


Guy Holdridge
Director

GH/pc
Enclosure

cc: Senator Franklin J. Foil

email cc: David R. Poynter Legislative Research Library
drplibrary@legis.la.gov
Secretary of State, Mr. R. Kyle Ardoin
admin@sos.louisiana.gov

**LOUISIANA STATE LAW INSTITUTE
TRUST CODE COMMITTEE**

**INTERIM REPORT TO THE LEGISLATURE IN RESPONSE TO
SCR NO. 10 OF THE 2020 SECOND EXTRAORDINARY SESSION**

Relative to trust protections for minors and disabled adults and other matters

Prepared for the
Louisiana Legislature on

September 9, 2021

Baton Rouge, Louisiana

**LOUISIANA STATE LAW INSTITUTE
TRUST CODE COMMITTEE**

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Ronald J. Scalise, Jr., Reporter
Thomas B. Lemann, Secretary (Emeritus)
Mallory C. Waller, Staff Attorney

SENATE CONCURRENT RESOLUTION NO. 10

BY SENATOR FOIL

A CONCURRENT RESOLUTION

To urge and request the Louisiana State Law Institute to study certain matters pertaining to the Louisiana Trust Code.

WHEREAS, R.S. 9:1731, provides that a trust is a relationship resulting from the transfer of title to property to a person to be administered by him as a fiduciary for the benefit of another; and

WHEREAS, R.S. 9:1781, defines a trustee as a person to whom title to the trust property is transferred to be administered by him as a fiduciary; and

WHEREAS, questions have arisen as to whether adequate safeguards exist in the present law to ensure that minors and disabled adults are not being exploited.

THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby urge and request that the Louisiana State Law Institute study whether present laws in the Louisiana Trust Code should be revised to mandate language in an award or settlement for a minor or disabled individual to authorize that funds be held as appropriate in a pooled trust, blocked account, registry of the court, held with a qualified custodian or guardian, or be given directly to the individual, and whether out of state corporate trustees who meet state and FDIC requirements, or pooled trustees operating under nonprofit status should be allowed to operate in this state.

BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the director of the Louisiana State Law Institute, and that the Louisiana State Law Institute report its findings and recommendations to the legislature on or before August 31, 2021.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

September 9, 2021

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President of the Senate
P.O. Box 94183
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**INTERIM REPORT TO THE LEGISLATURE
IN RESPONSE TO SCR NO. 10 OF THE 2020 SECOND EXTRAORDINARY SESSION**

Senate Concurrent Resolution No. 10 urged and requested the Law Institute to study certain matters pertaining to the Louisiana Trust Code. Specifically, the resolution asked the Law Institute to determine whether adequate safeguards exist under present law to prevent the exploitation of minors and disabled adults, including whether language should be mandated requiring funds awarded to minors or disabled adults to be held in a pooled trust, a blocked account, the registry of the court, or with a qualified custodian or guardian. The resolution also asked the Law Institute to consider whether out-of-state corporate trustees who meet state and FDIC requirements or pooled trustees operating under nonprofit status should be permitted to operate in Louisiana.

In fulfillment of this request, the Law Institute assigned the resolution to its Trust Code Committee, which operates under the direction of Professor Ronald J. Scalise, Jr. as Reporter. Background research is being conducted and compiled with respect to both of these issues, and the Trust Code Committee plans to meet in the coming months to consider this information and formulate its recommendations in response to the resolution.

A final report will be submitted to the Legislature once the Trust Code Committee has received approval of its recommendations from the Council of the Law Institute.