## COUNCIL OF THE DISTRICT OF COLUMBIA

## COMMITTEE ON THE JUDICIARY AND PUBLIC SAFETY

BROOKE PINTO, CHAIR

## NOTICE OF PUBLIC HEARING ON

B25-219, the "Uniform Powers of Appointments Act of 2024"

B25-224, the "Uniform Trust Decanting Act of 2024"

B25-225, the "Uniform Directed Trust Act of 2024"

B25-484, the "Uniform Civil Remedies for Unauthorized Disclosure of Intimate Images Act of 2024"

B25-485, the "Uniform Commercial Real Estate Receivership Act of 2024"

B25-486, the "Uniform Community Property Disposition at Death Act of 2024"

and

B25-538, the "Strengthening Probate Administration Act of 2024"

Monday, June 17, 2024, at 11:30 AM (or immediately after the preceding hearing ends)

In the John A. Wilson Building, 1350 Pennsylvania Avenue, NW, Room 412 and virtually via Zoom

## To watch live:

Councilmember Pinto's YouTube Page (<a href="www.youtube.com/@cmbrookepinto">www.youtube.com/@cmbrookepinto</a>)

DC Council Website (<a href="dccouncil.gov">dccouncil.gov</a>)

Office of Cable Television Website (entertainment.dc.gov)

On Monday, June 17, 2024, Councilmember Brooke Pinto, Chairwoman of the Committee on the Judiciary and Public Safety, will hold a hearing on B25-219, the "Uniform Powers of Appointments Act of 2024"; B25-224, the "Uniform Trust Decanting Act of 2024"; B25-225, the "Uniform Directed Trust Act of 2024"; B25-484, the "Uniform Civil Remedies for Unauthorized Disclosure of Intimate Images Act of 2024"; B25-485, the "Uniform Commercial Real Estate Receivership Act of 2024"; B25-486, the "Uniform Community Property Disposition at Death Act of 2024"; and B25-538, the "Strengthening Probate Administration Act of 2024".

**B25-219, the "Uniform Powers of Appointment Act of 2024,"** would clarify and codify common law regarding powers of appointment. Appointments refer to a nonfiduciary third party who acts alongside a trustee to oversee the property distributions from a trust. The bill would amend Title 19 of the D.C. Code with a new Chapter 17 regarding the "creation, amendment, revocation, and exercise of powers of appointment," in wills and estates documents and procedures.

B25-224, the "Uniform Trust Decanting Act of 2024," would clarify and codify the rules and limits on a trustee's power to "decant" (pour assets from one irrevocable trust to another) to handle changed circumstances. For example, the beneficiary of a trust might become disabled, and in

order for the settlor's intent (that the beneficiary profit from the trust) be safeguarded, some of the trust might need to be decanted to a supplemental needs trust to take care of the disabled beneficiary. The bill would also impose limits on a trustee's decanting of a trust in order to safeguard settlor's purpose and beneficiary's interest while admitting of flexibility. For example, a trust dedicated to charitable interests could not be diminished or exterminated through decanting. Likewise, a trustee would not be able to decant from a trust without notifying the trustee and ensuring that the trustee's interests must be protected. Last, successor trustees would be protected from liability for past decantings of prior trustees by being able to take those past decantings as valid.

**B25-225, the "Uniform Directed Trust Act of 2024,"** would clarify and codify the role and rules of trust directors. Directors are those who direct a trust but are not themselves a trustee. The bill would also amend preexisting D.C. trust law to add the following legal clarification: "a trustee who has an insurance policy on the life of the trust's settlor has an insurable interest." This clarification would obviate potential jurisdictional and legal conflicts that arise when defining an "insurable interest" and "insurable life" for trust administrations.

**B25-484, the "Uniform Civil Remedies for Unauthorized Disclosure of Intimate Images Act of 2024,"** would create a civil cause of action for victims of unauthorized disclosure of private, intimate images, including actual damages, statutory damages at a maximum of \$10,000, punitive damages, and disgorgement of profits. It also authorizes the court to grant the victim attorney's fees and other relief and provides procedures to enable victims of such disclosures to protect their identity in court proceedings.

B25-485, the "Uniform Commercial Real Estate Receivership Act of 2024," would clarify and codify common law regarding receivership for commercial real estate. A receiver is a court-appointed individual taking possession of, or management over, another person's property. For commercial real estate, a receiver is appointed when there is litigated property that must be maintained during the lawsuit; when an operating business needs to sell its assets efficiently; and upon request from a creditor with respect to a defaulting or insolvent debtor.

B25-486, the "Uniform Community Property Disposition at Death Act of 2024," would clarify and codify the default rules concerning the equitable distribution of property. A minority of states in the U.S. follow a community property regime (in which the married couple retains shared rights over the property). The District is not such a state. However, when married couples relocate to the District who formerly inhabited a community-property jurisdiction, there have been probate and estate planning issues upon the death of one or both members of the couple. In order to ensure that the District probate court and/or trustees properly recognize the community-property status in a decedent's estate in the District and to avoid potential litigation among the surviving spouses and heirs, this bill would set up rules regarding the equitable distribution of community property and allow the court to determine the character of the property when there is a dispute among heirs. The bill would also clarify how property is to be distributed when a couple mutually agrees to separate; provide a remedy for bad-faith transfers; and provide rules for non-probate transfers to ensure the proper disposition of community property.

B25-538, the "Strengthening Probate Administration Act" would streamline the legal and administrative procedures around probate for District residents and estate lawyers. Probate refers to the financial and other administration of a deceased person's assets and estate. First, the bill would streamline the appointment of representatives for decedent's estates by permitting experienced court staff to appoint a personal representative or to send the petition to a judge for further review. Second, the bill would reduce the publication requirement for notice of probate to two weeks and in one publication. Last, the bill would create an electronic will registry to complement the recent passage of the Uniform Electronic Wills Amendment Act of 2022 and to make the safe storage and filing of wills more accessible. Other changes include: the expansion of the number of estates that qualify as "small estates" (one worth up to \$80,000); the increase of allowable reimbursement rates for funeral expenses up to \$10,000; the transfer of some small estates by affidavit rather than by having to go to court; the increase of Homestead, Family, and Exempt Property allowances consistent with inflation; and a clarification of legal probate terms.

The Committee invites the public to testify. Those who wish to do so must register using the Council's Hearing Management System at <a href="https://lims.dccouncil.gov/hearings">https://lims.dccouncil.gov/hearings</a> by 11:30 a.m. on Friday, June 14. Witnesses who represent organizations will have 5 minutes to speak. All others will have 3 minutes to speak. Witnesses will have the option to testify in person or virtually; witnesses should specify which option they are electing at the time they sign up to testify.

Witnesses who anticipate needing spoken language interpretation, or who require sign language interpretation, are requested to inform the Committee office of the need as soon as possible, but no later than 5 business days before the proceeding. We will make every effort to fulfill timely requests, although alternatives may be offered. Requests may be submitted via the Hearing Management System during registration or by contacting Ms. Aukima Benjamin, Committee Manager to the Committee on the Judiciary and Public Safety, at (202) 724-8058 or via e-mail at <a href="mailto:judiciary@dccouncil.gov">judiciary@dccouncil.gov</a>. Requests received less than 5 business days before the proceeding may not be fulfilled. Witnesses will receive instructions on how to participate by Zoom prior to the hearing. If you have additional questions, please contact the Committee Manager at the phone number or e-mail listed above.

If you are unable to testify at the public hearing, written statements are encouraged and will be made a part of the official record; written testimony should be submitted through the Council's Hearing Management System at <a href="https://lims.dccouncil.gov/hearings">https://lims.dccouncil.gov/hearings</a>. Testimony will be publicly accessible following Committee review.

The record will close at 5:00 p.m. on Monday, July 1, 2024.

<sup>&</sup>lt;sup>1</sup> If there is a large number of witnesses, the Committee may allow less time for each witness in order to ensure all witnesses have an opportunity to testify.