

**Colorado Bar Association Trusts & Estates Section  
Uniform Fiduciary Income & Principal Act Subcommittee  
of the Statutory Revisions Committee**

**Minutes of May 6, 2020**

**Participants**

In person:	By phone:
	• Sharon Carter
	• Darla Daniel
	• Melissa Drazen-Smith
	• Ashlee Dunham
	• Bill Hubbard
	• Walter Kelly
	• Stan Kent
	• Georgine Kryda, Chair
	• Rachel Neumann
	• Dan Rich
	• Eugene Zuspahn

**Initial Assignments**

UFIPA Article	Lead Reviewer(s)
1 General Provisions	Stan K.
2 Fiduciary Duties and Judicial Review	Herb T. & Darla D.
3 Unitrust	Susan B.
4 Allocation of Receipts During Administration	Russ G. & Peggy G. & Walt. K.
5 Allocation of Disbursement During Administration	Jonathan H.
6 Death of Decedent	Georgine K. & Eugene Z.
7 Apportionment at Beginning and End of Income Interest	Klaralee C.
8 Miscellaneous Provisions	Kate K.

The meeting was held by teleconference coordinated by the CBA Offices, 1290 Broadway, Suite 1700 in Denver.

The meeting was called to order at 10:35 a.m. by the Chair and adjourned at 11:40 a.m. Minutes of April 1, 2020 were approved.

- **Part 1 approved unanimously.**
- **Section 601(d) as proposed and 601(e) as “Reserved” approved unanimously.**

**Part 6, Death of Decedent – Georgine K. and Gene Z.  
602 – Distribution to Successor Beneficiary**

Discussion regarding the best practice for making partial distributions. Consensus is to: (1) make distributions to all beneficiaries if any distributions are made, and (2) use the same percentages as each remainder beneficiary’s interest.

Regarding 602(b), when a trust contains a family limited partnership (FLP), can a trustee determine the distribution without spending \$40K on a formal valuation, or by following simpler rules than those in 602(b)?

- 602(b)(1) is already in Colorado law as C.R.S. § 15-1-407.
- Consensus: recommend 602 with uniform language, and incorporate the notice of trustee action provision from C.R.S. § 15-1-405.

Gene to propose a new UFIPA Section 204 under Fiduciary Duties based on either:

- C.R.S. § 15-1-405, or
- Utah's former 22-3-107 (see Georgine's email of 5/5/2020).

## **Part 8, Miscellaneous Provisions – Kate**

### **803, Application to Trust or Estate**

- Gene: Trusts subject to, or being administered under the 1955 UPIA still exist. With the 2000 Act (which took effect July 2001), trusts could get in/remain out. Thus, it is not a problem to bring trusts following the 2001 UPIA into UFIPA. The concern is trusts subject to 1955 Act that either did not elect into the 2001 UPIA, or explicitly opted out of the 2001 UPIA.
- Stan: We could add to 803 language to say, "For trusts in existence and operating under the 1955 Act, the 1955 Act will continue to apply."
- General support for:
  - rewording 803 to apply to all estates, and to apply to those trusts not following the 1955 Act; and
  - recommending repeal of the 2000 Act (i.e., the 1997 UPIA), although recognizing this will likely require a discussion with Legislative Drafting.

**804, 805, and 806** will flow from 803.

### **For the Summer 2020 meeting:**

- Georgine to forward any questions from Susan Harris' review of UFIPA with respect to life estates.
- Review and vote on proposed new 204, and final drafts of 803, 804, 805, and 806.
- Georgine to report on Steve Brainerd's and Andy White's requests for any follow-up post-SRC approval.
- Discussion of any other final steps.

**The next meeting** is TBD, via teleconference coordinated by the CBA.