

2013 -- H 5336

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2013

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A N A C T

RELATING TO PROPERTY - ESTATES IN REAL PROPERTY

Introduced By: Representatives Keable, Lally, and Blazejewski

Date Introduced: February 07, 2013

Referred To: House Judiciary

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 34-4 of the General Laws entitled "Estates in Real Property" is
2 hereby amended by adding thereto the following section:

3 **34-4-30. Conveyance to or by nominee trust. – (a) Notwithstanding provisions of**
4 **section 34-4-27, conveyances of real estate to a nominee trust or to the trustee of a nominee trust**
5 **and conveyances of real estate by a trustee of a nominee trust are not defective, and the**
6 **conveyance shall be deemed valid so long as the following shall have occurred:**

7 **(1) A memorandum of trust pursuant to section 34-4-27 shall have been properly**
8 **prepared and recorded; and**

9 **(2) The trustee of the nominee trust shall include in the memorandum of trust a statement**
10 **that the trustee has received the consent of each of the beneficiaries authorizing the action of the**
11 **trustee as required by the nominee trust.**

12 **(b) A trustee, executing a memorandum of trust and representing that he/she/it has**
13 **obtained the consent of the beneficiaries, shall be subject to personal liability to each of the**
14 **beneficiaries as well as the grantees and the grantees' successors and/or assigns under the**
15 **instrument purported to be executed with the consent of the beneficiaries, in the event such**
16 **consent was not obtained.**

17 **(c) A nominee trust is defined as a trust in which the trustee(s) is/are not granted**
18 **discretionary authority to act without the consent, concurrence or direction of the beneficiaries.**

1 SECTION 2. This act shall take effect upon passage and shall have retroactive effect.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO PROPERTY - ESTATES IN REAL PROPERTY

- 1 This act would allow conveyances into and from nominee trusts pursuant to certain
- 2 requirements regarding the preparation and recording of a memorandum of trust.
- 3 This act would take effect upon passage and would have retroactive effect.

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