

HB 923 -- MISSOURI FAMILY TRUST

SPONSOR: Holland

COMMITTEE ACTION: Voted "do pass by consent" by the Committee on Health Care Policy by a vote of 14 to 0.

This bill makes changes to the laws regarding the Missouri Family Trust.

The bill:

(1) Requires all state agencies to disregard the trust as a resource when determining eligibility of Missouri residents for assistance under Chapter 208, RSMo, unless prohibited by federal laws or regulations;

(2) Requires the Board of Trustees of the trust to advise, consult, and render service to state departments and agencies and to other nonprofit agencies that provide services to Missouri residents with a disability and have a tax-exempt status under Section 501(c)(3) of the Internal Revenue Code;

(3) Authorizes the trust to accept contributions from an account of a life beneficiary who dies. The amount of the contribution to the trust is subject to certain criteria;

(4) Requires any matters resolved by arbitration to be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association. The bill also allows any judgment on an arbitrator's award to be entered in any court of competent jurisdiction;

(5) Revises provisions pertaining to withdrawals of the principal balance from an account of a life beneficiary, the distribution of undistributed income, and the distribution of the principal balance to a charitable trust; and

(6) Allows any person, with the consent of the board, to establish a restricted account within a charitable trust and to determine the beneficiaries of the account.

FISCAL NOTE: No impact on state funds.

PROPOSERS: Supporters say that this trust is a special needs trust that was established for beneficiaries who have a developmental disability, mental illness, or a brain injury. It was created as a means for low- to moderate-income families to provide a measure of financial security for a disabled family member. A majority of the trust accounts are under \$10,000. The

trust meets the federal Supplemental Security Income and state Medicaid guidelines, and no state appropriations are used to finance the program. It enables disabled persons to live in less restrictive and less expensive settings.

Testifying for the bill were Representatives Holand and Fraser; and Missouri Family Trust.

OPPONENTS: There was no opposition voiced to the committee.

Joseph Deering, Legislative Analyst