

1 State of Arkansas
2 90th General Assembly
3 Regular Session, 2015

A Bill

SENATE BILL 850

4
5 By: Senator Caldwell

For An Act To Be Entitled

8 AN ACT TO REGULATE THE INVESTMENT PRACTICES OF A
9 GUARDIAN OF AN ESTATE; TO MODIFY THE UNIFORM
10 VETERANS' GUARDIANSHIP ACT; AND FOR OTHER PURPOSES.

Subtitle

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13 TO REGULATE THE INVESTMENT PRACTICES OF A
14 GUARDIAN OF AN ESTATE; AND TO MODIFY THE
15 UNIFORM VETERANS' GUARDIANSHIP ACT.
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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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21 SECTION 1. Arkansas Code § 28-65-311(b), concerning investments by a
22 guardian of an estate, is amended to add an additional subdivision to read as
23 follows:

24 (15) Shares, securities, or other interests in an open-end or
25 closed-end management-type investment company or investment trust registered
26 under the Investment Company Act of 1940, 15 U.S.C. § 80a-1 et seq., as it
27 existed on January 1, 2015, or an exchange-traded fund listed on a national
28 securities exchange.

29
30 SECTION 2. Arkansas Code § 28-65-311(d), concerning the investments of
31 a guardian of an estate that is state or national bank, is amended to read as
32 follows:

33 (d) If the guardian of the estate is a state or national bank or trust
34 company authorized by the provisions of §§ 28-69-201 – 28-69-204 to establish
35 and maintain common trust funds, the guardian may invest the ward's funds
36 without prior order of the court in:



1 ~~(1) Participation in the common trust fund and if the guardian~~
 2 ~~has established and is maintaining such a common trust fund which, by the~~
 3 terms of the instrument creating it, limits the purchase of investments for
 4 such funds to investments authorized in this chapter, ~~the guardian may invest~~
 5 ~~the ward's funds in participation in the common trust fund without prior~~
 6 ~~order of the court;~~

7 (2) Shares, securities, or other interests of any open-end or
 8 closed-end management-type investment company or investment trust registered
 9 under the Investment Company Act of 1940, 15 U.S.C. § 80a-1 et seq., as it
 10 existed on January 1, 2015; or

11 (3) An exchange-traded fund listed on a national securities
 12 exchange, the portfolio of which is limited to the securities authorized in
 13 this chapter without prior order of the court.

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 15 SECTION 3. Arkansas Code § 28-66-113 is amended to read as follows:
 16 28-66-113. Investments.

17 (a)(1) Every A guardian shall invest the surplus funds of his or her
 18 ward's estate in ~~such~~ securities or property as authorized under the laws of
 19 this state but only upon prior order of the court~~;~~.

20 ~~(2) except that the~~ However, a guardian may invest surplus funds
 21 ~~may be invested~~ without prior court authorization~~;~~ in:

22 (A) direct Direct unconditional interest-bearing
 23 obligations of this state or of the United States; and

24 (B) in obligations Obligations where the interest and
 25 principal ~~of which~~ are unconditionally guaranteed by the United States.

26 (b) A signed duplicate or certified copy of the petition for authority
 27 to invest shall be furnished to the proper office of the Veterans'
 28 Administration and a notice of hearing ~~thereon~~ shall be given ~~said~~ to the
 29 office ~~as provided in the case of~~ for a hearing on a guardian's account.

30 (c) If ~~the~~ a guardian of the estate is a state or national bank or
 31 trust company authorized by provisions of §§ 28-69-201 – 28-69-204 to
 32 establish and maintain common trust funds, ~~and if the guardian has~~
 33 ~~established and be maintaining such a common trust fund, the guardian may~~
 34 ~~invest the ward's fund in participations in such common trust funds, without~~
 35 ~~prior order of the court~~ the guardian may invest the ward's funds without
 36 prior order of the court in:

1 (1) Participation in the common trust funds if they have been
2 established and maintained by the guardian;

3 (2) Shares, securities or other interests of any open-end or
4 closed-end management-type investment company or investment trust registered
5 under the Investment Company Act of 1940, 15 U.S.C. § 80a-1 et seq., as it
6 existed on January 1, 2015; or

7 (3) An exchange-traded fund listed on a national securities
8 exchange.

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11 **APPROVED: 04/06/2015**
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