

State of Arkansas
90th General Assembly
Regular Session, 2015

A Bill

SENATE BILL 850

By: Senator Caldwell

For An Act To Be Entitled

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

Subtitle

TO REGULATE THE INVESTMENT PRACTICES OF A
GUARDIAN OF AN ESTATE; AND TO MODIFY THE
UNIFORM VETERANS' GUARDIANSHIP ACT.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

APPROVED: 04/06/2015