

CHAPTER 130**(HB 615)**

AN ACT relating to trustees.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

➔Section 1. KRS 386.490 is amended to read as follows:

A trustee shall make the following disbursements from income to the extent that they are not disbursements to which KRS 386.456(2)(b) or (2)(c) applies:

- (1) One-half (1/2) of the regular compensation of the trustee and of any person providing investment advisory or custodial services to the trustee, ~~except as provided in KRS 386.180~~;
- (2) One-half (1/2) of all expenses for accountings, judicial proceedings, or other matters that involve both the income and remainder interests;
- (3) All of the other ordinary expenses incurred in connection with the administration, management, or preservation of trust property and the distribution of income, including interest, ordinary repairs, regularly recurring taxes assessed against principal, and expenses of a proceeding or other matter that concerns primarily the income interest; and
- (4) Recurring premiums on insurance covering the loss of a principal asset or the loss of income from or use of the asset.

➔Section 2. KRS 387.111 is amended to read as follows:

Guardians, limited guardians, and conservators shall receive reasonable compensation for services rendered and reimbursement for reasonable and necessary expenses incurred in the exercise of their assigned duties and powers, including reimbursement for room, board, and clothing personally provided to the ward. The compensation and reimbursement shall be paid from the estate of the ward. ~~Compensation of guardians and conservators shall not exceed that provided for in KRS 386.180.~~

➔Section 3. KRS 387.760 is amended to read as follows:

- (1) No court costs shall be charged to a respondent or ward in any proceeding under KRS 387.500 to 387.770, if the respondent or ward is a poor person as defined in KRS 453.190.
- (2) Limited guardians, guardians, limited conservators and conservators are entitled to reasonable compensation for services rendered and to reimbursement for reasonable and necessary expenses incurred in the exercise of their assigned guardianship or conservatorship duties and powers. Such compensation and reimbursement shall be paid from the financial resources of the ward. ***Compensation and reimbursement of limited guardians, guardians, limited conservators, and conservators shall not exceed six percent (6%).*** ~~Compensation and reimbursement of guardians limited, conservators and conservators shall not exceed that provided for in KRS 386.180.~~

➔Section 4. The following KRS section is repealed:

386.180 Compensation of trustees of estates.

Signed by Governor April 24, 2008.