

ASSEMBLY BILL NO. 254—ASSEMBLYMEN YEAGER AND SPRINKLE

MARCH 3, 2017

Referred to Committee on Judiciary

SUMMARY—Revises provisions governing guardianships. (BDR 13-595)

FISCAL NOTE: Effect on Local Government: No. Effect on the State: No.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to guardianships; authorizing the assumption of jurisdiction of a trust of which a ward is currently an income beneficiary by the court having jurisdiction of the guardianship of the ward in certain circumstances; revising provisions relating to the filing of a verified inventory by a general or special guardian of the estate; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Existing law authorizes a court having jurisdiction of a trust to transfer  
2 supervision of the trust to another court, upon petition by a trustee or beneficiary,  
3 when the convenience of certain persons makes a transfer desirable. (NRS 164.130)  
4 **Section 3** of this bill additionally authorizes such a court to transfer supervision of  
5 the trust to a district court having jurisdiction of the guardianship of a ward who is  
6 currently an income beneficiary of the trust.  
7 Existing law requires a general or special guardian of the estate to make and  
8 file in a guardianship proceeding, not later than 60 days after the date of his or her  
9 appointment, a verified inventory of all of the property of a ward which comes to  
10 the possession or knowledge of the guardian. (NRS 159.085) **Section 2** of this bill  
11 specifies that such an inventory must include the existence of any trust of which the  
12 ward is a beneficiary. **Section 1** of this bill provides that if such an inventory  
13 includes the existence of a trust of which the ward is currently an income  
14 beneficiary, the trustee must be served with a copy of the inventory. **Section 1**  
15 authorizes the guardian or attorney of the ward or any interested person to demand  
16 that a copy of the trust and an accounting of the assets of the trust be filed with the  
17 court having jurisdiction of the guardianship. **Section 1** also provides that the court  
18 will assume jurisdiction of the trust if: (1) no objection to the court assuming  
19 jurisdiction of the trust is filed; or (2) the court does not find good cause as to why  
20 it should not have jurisdiction of the trust. **Section 1** further requires the trustee to  
21 file an inventory of the assets of the trust with the court not later than 30 days after



22 the court assumes jurisdiction of the trust or supervision of the trust is transferred  
23 pursuant to **section 3**.

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THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN  
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1       **Section 1.** Chapter 159 of NRS is hereby amended by adding  
2 thereto a new section to read as follows:

3       1. *If the inventory filed pursuant to NRS 159.085 includes the*  
4 *existence of a trust of which the ward is currently an income*  
5 *beneficiary, the trustee must be served with a copy of the inventory*  
6 *for the purpose of alerting the trustee that the court may assume*  
7 *jurisdiction of the trust pursuant to this section or that supervision*  
8 *of the trust may be transferred to the court pursuant to*  
9 *NRS 164.130.*

10       2. *The guardian of the ward, attorney of the ward or any*  
11 *interested person may demand that a copy of the trust and an*  
12 *accounting of the assets of the trust be filed with the court. Such a*  
13 *demand must be served on all parties and include notice that the*  
14 *court may assume jurisdiction of the trust pursuant to this section.*

15       3. *Not later than 30 days after being served with a demand*  
16 *pursuant to subsection 2, a party may object to the court assuming*  
17 *jurisdiction of the trust. If no objection is filed or if the court does*  
18 *not find good cause as to why it should not have jurisdiction of the*  
19 *trust, the court will assume jurisdiction of the trust.*

20       4. *Not later than 30 days after the court assumes jurisdiction*  
21 *of the trust pursuant to this section or supervision of the trust is*  
22 *transferred to the court pursuant to NRS 164.130, the trustee shall*  
23 *file an inventory of the assets of the trust with the court.*

24       5. *The provisions of chapters 162 to 167, inclusive, of NRS*  
25 *apply to a trust of which a court has jurisdiction.*

26       6. *As used in this section, "income beneficiary" has the*  
27 *meaning ascribed to it in NRS 164.785.*

28       **Sec. 2.** NRS 159.085 is hereby amended to read as follows:

29       159.085 1. Not later than 60 days after the date of the  
30 appointment of a general or special guardian of the estate or, if  
31 necessary, such further time as the court may allow, the guardian  
32 shall make and file in the guardianship proceeding a verified  
33 inventory of all of the property of the ward , *including, without*  
34 *limitation, the existence of any trust of which the ward is a*  
35 *beneficiary*, which comes to the possession or knowledge of the  
36 guardian.

37       2. A temporary guardian of the estate who is not appointed as  
38 the general or special guardian shall file an inventory with the court



1 by not later than the date on which the temporary guardian files a  
2 final accounting as required pursuant to NRS 159.177.

3 3. The guardian shall take and subscribe an oath, which must  
4 be endorsed or attached to the inventory, before any person  
5 authorized to administer oaths, that the inventory contains a true  
6 statement of:

7 (a) All of the estate of the ward which has come into the  
8 possession of the guardian;

9 (b) All of the money that belongs to the ward; and

10 (c) All of the just claims of the ward against the guardian.

11 4. Whenever any property of the ward not mentioned in the  
12 inventory comes to the possession or knowledge of a guardian of the  
13 estate, the guardian shall:

14 (a) Make and file in the proceeding a verified supplemental  
15 inventory not later than 30 days after the date the property comes to  
16 the possession or knowledge of the guardian; or

17 (b) Include the property in the next accounting.

18 5. The court may order which of the two methods described in  
19 subsection 4 the guardian shall follow.

20 6. The court may order all or any part of the property of the  
21 ward appraised as provided in NRS 159.0865 and 159.305.

22 7. If the guardian neglects or refuses to file the inventory  
23 within the time required pursuant to subsection 1, the court may, for  
24 good cause shown and upon such notice as the court deems  
25 appropriate:

26 (a) Revoke the letters of guardianship and the guardian shall be  
27 liable on the bond for any loss or injury to the estate caused by the  
28 neglect of the guardian; or

29 (b) Enter a judgment for any loss or injury to the estate caused  
30 by the neglect of the guardian.

31 **Sec. 3.** NRS 164.130 is hereby amended to read as follows:

32 164.130 **1.** Upon petition by any trustee or beneficiary, a  
33 court having jurisdiction of a trust may transfer supervision of the  
34 trust to ~~any~~:

35 (a) *Any* district court within the State, or to any court outside  
36 Nevada which accepts jurisdiction over the trust, when the  
37 convenience of beneficiaries, trustees, attorneys or other interested  
38 persons makes a transfer desirable.

39 (b) *A district court within this State having jurisdiction of the*  
40 *guardianship of a ward who is currently an income beneficiary of*  
41 *the trust if the district court has not assumed jurisdiction pursuant*  
42 *to section 1 of this act.*



- 1     ***2. As used in this section, "income beneficiary" has the***
- 2     ***meaning ascribed to it in NRS 164.785.***

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