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By: **Senator Green**

Introduced and read first time: January 24, 2006

Assigned to: Judicial Proceedings

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Committee Report: Favorable

Senate action: Adopted

Read second time: February 21, 2006

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CHAPTER\_\_\_\_\_

1 AN ACT concerning

2 **Estates and Trusts - Trust For Care of Animal**

3 FOR the purpose of establishing that the common-law rule against perpetuities does  
4 not apply to a certain trust created for the care of an animal alive during the  
5 lifetime of the settlor; authorizing the creation of a trust to provide for the care  
6 of an animal alive during the lifetime of the settlor; establishing when a certain  
7 trust terminates; authorizing a certain person to enforce a certain trust;  
8 authorizing a person having an interest in the welfare of an animal for whose  
9 care a trust is established to make certain requests to a court; establishing that  
10 the property of a certain trust may be applied only to the intended use of the  
11 trust, except to the extent the court may make a certain determination;  
12 requiring that property not required for the intended use of a certain trust be  
13 distributed in a certain manner; and generally relating to trusts for the care of  
14 animals.

15 BY repealing and reenacting, with amendments,  
16 Article - Estates and Trusts  
17 Section 11-102  
18 Annotated Code of Maryland  
19 (2001 Replacement Volume and 2005 Supplement)

20 BY adding to  
21 Article - Estates and Trusts  
22 Section 14-112  
23 Annotated Code of Maryland  
24 (2001 Replacement Volume and 2005 Supplement)

1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
2 MARYLAND, That the Laws of Maryland read as follows:

3 **Article - Estates and Trusts**

4 11-102.

5 Subject to §§ 4-409 and 11-103, the common-law rule against perpetuities as  
6 now recognized in the State is preserved, but the rule does not apply to the following:

7 (a) A legacy or inter vivos conveyance having a value of \$5,000 or less, or of  
8 any burial lot of any value, in trust or otherwise, for the purpose of providing for the  
9 perpetual care or keeping in good order and condition, or making repairs to, any lot,  
10 vault, mausoleum, or other place of sepulture belonging to any individual or several  
11 individuals in any cemetery or graveyard, the lots in which are intended for the burial  
12 of members of the family, family connections, relatives, or friends of the owners, or  
13 their successors in ownership.

14 (b) A legacy or inter vivos conveyance intended to transfer assets from any  
15 corporation incorporated for charitable objects, to any other charitable corporation on  
16 a contingency or future event.

17 (c) A trust created by an employer as part of a pension, stock bonus, disability,  
18 death benefit, profit-sharing, retirement, welfare, or other plan for the exclusive  
19 benefit of some or all of the employees of the employer or their beneficiaries, to which  
20 contributions are made by the employer or employees, or both the employer and  
21 employees, for the purpose of making distributions to or for the benefit of employees  
22 or their beneficiaries out of the income or principal or both the income and principal  
23 of the trust, or for any other purposes set out in the plan.

24 (d) A trust for charitable purposes, which shall include all purposes as are  
25 within the spirit or letter of the statute of 43 Elizabeth Ch. 4 (1601), commonly known  
26 as the statute of charitable uses.

27 (e) A trust in which the governing instrument states that the rule against  
28 perpetuities does not apply to the trust and under which the trustee, or other person  
29 to whom the power is properly granted or delegated, has the power under the  
30 governing instrument, applicable statute, or common law to sell, lease, or mortgage  
31 property for any period of time beyond the period that is required for an interest  
32 created under the governing instrument to vest, so as to be good under the rule  
33 against perpetuities.

34 (F) A TRUST CREATED UNDER § 14-112 OF THIS ARTICLE TO PROVIDE FOR THE  
35 CARE OF AN ANIMAL ALIVE DURING THE LIFETIME OF THE SETTLOR.

36 14-112.

37 (A) A TRUST MAY BE CREATED TO PROVIDE FOR THE CARE OF AN ANIMAL  
38 ALIVE DURING THE LIFETIME OF THE SETTLOR.

1 (B) A TRUST AUTHORIZED BY THIS SECTION TERMINATES:

2 (1) IF CREATED TO PROVIDE FOR THE CARE OF ONE ANIMAL ALIVE  
3 DURING THE LIFETIME OF THE SETTLOR, ON THE DEATH OF THE ANIMAL; OR

4 (2) IF CREATED TO PROVIDE FOR THE CARE OF MORE THAN ONE  
5 ANIMAL ALIVE DURING THE LIFETIME OF THE SETTLOR, ON THE DEATH OF THE LAST  
6 SURVIVING ANIMAL.

7 (C) (1) A TRUST AUTHORIZED BY THIS SECTION MAY BE ENFORCED BY A  
8 PERSON APPOINTED UNDER THE TERMS OF THE TRUST OR, IF NO PERSON IS  
9 APPOINTED, BY A PERSON APPOINTED BY THE COURT.

10 (2) A PERSON HAVING AN INTEREST IN THE WELFARE OF AN ANIMAL  
11 FOR WHOSE CARE A TRUST IS ESTABLISHED MAY REQUEST THE COURT TO APPOINT  
12 A PERSON TO ENFORCE THE TRUST OR TO REMOVE A PERSON APPOINTED.

13 (D) (1) EXCEPT TO THE EXTENT THAT THE COURT MAY DETERMINE THAT  
14 THE VALUE OF A TRUST AUTHORIZED BY THIS SECTION EXCEEDS THE AMOUNT  
15 REQUIRED FOR THE USE INTENDED BY THE TRUST, THE PROPERTY OF THE TRUST  
16 MAY BE APPLIED ONLY TO THE INTENDED USE OF THE TRUST.

17 (2) EXCEPT AS OTHERWISE PROVIDED UNDER THE TERMS OF THE  
18 TRUST, PROPERTY NOT REQUIRED FOR THE INTENDED USE SHALL BE DISTRIBUTED:

19 (I) TO THE SETTLOR, IF LIVING; OR

20 (II) IF THE SETTLOR IS DECEASED, TO THE SUCCESSORS IN  
21 INTEREST OF THE SETTLOR.

22 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
23 October 1, 2006.