

HOUSE BILLS 4416, 4417, 4418, AND 4419

Good morning. My name is Mark Kellogg. I am the current chairperson of the Probate and Estate Planning Section of the State Bar of Michigan and private practice attorney at the law firm of Fraser Trebilcock. I am here to testify in favor of House Bills 4416 through 4419. These bills update and modernize our laws based on probate practitioners' past 22 years' experience with the Estates and Protected Code and related acts. They will:

1. *Update financial thresholds* set in the law and subject additional thresholds to inflation adjustments. The effect of most of these threshold changes is that citizens and lawyers will not have to file probate motions and petitions quite as often.
2. *Create standby guardianship* to ensure so that protected individuals are not endangered by a "guardianship gap" on account of their guardians' illness, absence, or death.
3. *Clarify and improve notice rules* that can impact the administration, modification, and termination of trusts.
4. *Modernize trust disclosure rules* to allow trusts to be administered on a confidential basis for a limited period to make our state competitive with jurisdictions like Alaska, Delaware, New Hampshire, Ohio, South Dakota, Tennessee, and Wyoming.
5. *Improve the enforcement of attorneys' rules of professional conduct* by voiding inappropriate gifts included in estate planning documents and other instruments prepared by a lawyer.
6. *Make numerous technical fixes and improvements*, e.g., clarifying ambiguous statutory definitions, clarifying the circumstances under which a court may reopen an estate, adopting modernized versions of "pet trust" and "purpose trust" rules, and confirming that certain specialized Michigan trusts can be used for estate and gift tax planning purposes.

This is the third time these technical improvements have been considered by the Legislature. The Probate Section thanks the members for their consideration and support.

The Probate & Estate Planning Section is a voluntary membership section of the State Bar of Michigan, comprised of 3,446 members. The Probate & Estate Planning Section is not the State Bar of Michigan. This position is of the Section only and not the State Bar, which has not taken a position on these bills.

The Probate & Estate Planning Section has a public policy decision-making body with 23 members. On March 10, 2023, the Section adopted its position after a discussion and vote at a scheduled meeting. 22 members voted in favor of the Section's position, 0 members voted against this position, 1 member abstained, 5 members did not vote.