

**NO FISCAL IMPACT**

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<b>Drafting Number:</b> LLS 14-0126	<b>Date:</b> April 14, 2014
<b>Prime Sponsor(s):</b> Rep. Gardner Sen. Johnston	<b>Bill Status:</b> House Judiciary
	<b>Fiscal Analyst:</b> Kristen Koehler (303-866-4918)

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**SHORT TITLE:** UNIFORM POWERS OF APPOINTMENT ACT

**Summary of Legislation**

This bill creates the Uniform Powers of Appointment Act (act), as recommended by the **Colorado Commission on Uniform State Laws**. The bill repeals existing state law concerning powers of appointment and replaces it with the uniform law, as recommended by the National Conference of Commissioners on Uniform State Laws. The act provides general provisions and definitions related to the creation, exercise, and transfer of a power of appointment, and clarifies the authority of a donor (creator of the power of appointment) to revoke or amend that power. The act also clarifies rules for the disposition of property under various forms of power of appointment, and the use of contracts to appoint property.

**Background**

A power of appointment is a commonly used estate planning tool that permits the owner of property to name a third party and give that individual the power to direct the distribution of said property to permissible beneficiaries. The act is based on the Restatement (Third) of Property: Wills and Other Donative Transfers, as published by the American Law Institute.

**Assessment**

This bill provides clarification and codifies the myriad of existing state court cases that constitute the common law concerning powers of appointment. This bill does not impact the revenue, expenditures, or workload of any state or local government and, therefore, is assessed as having no fiscal impact.

**Effective Date**

The bill takes effect August 6, 2014, if the General Assembly adjourns on May 7, 2014, as scheduled, and no referendum petition is filed.

**State and Local Government Contacts**

Assessors	Human Services
Law	Public Health and Environment
Public Trustees	Judicial
Regulatory Agencies	Health Care Policy and Financing
Revenue	