## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## **HOUSE BILL**

No. 683

Session of 1987

INTRODUCED BY KUKOVICH, STABACK, BOYES, VEON, JOHNSON, COHEN, KOSINSKI, ITKIN, McHALE, PRESSMANN, TIGUE, GODSHALL, MAIALE, HOWLETT, HALUSKA, RITTER, DAWIDA, ARTY, REBER, JOSEPHS, NAHILL, PISTELLA, PRESTON AND WIGGINS, MARCH 9, 1987

REFERRED TO COMMITTEE ON JUDICIARY, MARCH 9, 1987

## AN ACT

| 1<br>2<br>3 | Amending Title 20 (Decedents, Estates and Fiduciaries) of the Pennsylvania Consolidated Statutes, adding provisions relating to guardians of incapacitated persons. |
|-------------|---|
| 4           | The General Assembly of the Commonwealth of Pennsylvania  |
| 5           | hereby enacts as follows:   |
| 6           | Section 1. The headings of Chapter 55 and Subchapter A of   |
| 7           | Chapter 55 of Title 20 of the Pennsylvania Consolidated Statutes  |
| 8           | are amended to read:  |
| 9           | CHAPTER 55  |
| 10          | [INCOMPETENTS]  |
| 11          | <u>INCAPACITATED PERSONS</u>  |
| 12          | * * *   |
| 13          | SUBCHAPTER A  |
| 14          | [MEANING OF INCOMPETENT]  |
| 15          | GENERAL PROVISIONS  |
| 16          | * * *   |
| 17          | Section 2. Title 20 is amended by adding a section to read:   |

- 1 § 5501. Purpose of chapter.
- 2 Recognizing that every individual has unique needs and
- 3 <u>differing abilities</u>, it is the purpose of this chapter to
- 4 promote the general welfare of all citizens by establishing a
- 5 system which permits incapacitated persons to participate as
- 6 fully as possible in all decisions which affect them; which
- 7 assists these persons in meeting the essential requirements for
- 8 their physical health and safety, protecting their rights,
- 9 managing their financial resources and developing or regaining
- 10 their abilities to the maximum extent possible; and which
- 11 accomplishes these objectives through the use of the least
- 12 <u>restrictive alternative</u>.
- 13 Section 3. Section 5501 of Title 20 is amended to read:
- 14 § [5501] <u>5502</u>. Meaning of [incompetent] <u>incapacitated person</u>.
- 15 ["Incompetent" means a person who, because of infirmities of
- 16 old age, mental illness, mental deficiency or retardation, drug
- 17 addiction or inebriety:
- 18 (1) is unable to manage his property, or is liable to
- 19 dissipate it or become the victim of designing persons; or
- 20 (2) lacks sufficient capacity to make or communicate
- responsible decisions concerning his person.]
- 22 "Incapacitated person" means a person who is suffering from a
- 23 physical or mental dysfunction to the extent that the person is
- 24 <u>impaired in his ability to provide for his own care or</u>
- 25 protection, or to judge the adequacy of the care or protection
- 26 being provided by another, and that the person is at imminent
- 27 risk of abuse, neglect or exploitation.
- 28 Section 4. Title 20 is amended by adding a section to read:
- 29 § 5510. Definitions.
- 30 The following words and phrases when used in this subchapter

- 1 shall have the meanings given to them in this section unless the
- 2 <u>context clearly indicates otherwise:</u>
- 3 <u>"Abuse." The occurrence of one or more of the following</u>
- 4 acts:
- 5 (1) The infliction of injury, unreasonable confinement,
- 6 <u>intimidation or punishment with resulting physical harm, pain</u>
- 7 <u>or mental anguish.</u>
- 8 (2) The willful deprivation by a caretaker of goods or
- 9 <u>services which are necessary to maintain physical or mental</u>
- 10 <u>health</u>.
- 11 (3) Sexual harassment, rape or abuse as defined in the
- 12 <u>act of October 7, 1976 (P.L.1090, No.218), known as the</u>
- 13 <u>Protection From Abuse Act.</u>
- 14 "Licensed practitioner." A physician, including a
- 15 psychiatrist, a licensed psychologist or a registered nurse.
- 16 <u>"Neglect." The failure to provide for oneself or the failure</u>
- 17 of a caretaker to provide goods or services essential to avoid a
- 18 clear and serious threat to physical or mental health.
- 19 Section 5. Sections 5511 and 5512 of Title 20 are amended to
- 20 read:
- 21 § 5511. Petition and hearing; examination by court-appointed
- 22 physician.
- 23 (a) Resident.--The court, upon petition [and a hearing at
- 24 which good cause is shown], hearing and clear and convincing
- 25 evidence, may find a person domiciled in the Commonwealth to be
- 26 [incompetent] <u>incapacitated</u> and appoint a guardian or guardians
- 27 of his person or estate. The petitioner may be any person
- 28 interested in the alleged [incompetent's] incapacitated person's
- 29 welfare. The court may dismiss a proceeding where it finds as a
- 30 fact that the proceeding has not been instituted to aid or

- 1 benefit the alleged [incompetent] incapacitated person. Notice
- 2 of the petition and hearing shall be given in such manner as the
- 3 court shall direct to the alleged [incompetent] incapacitated
- 4 person, to all persons residing within the Commonwealth who are
- 5 sui juris and would be entitled to share in the estate of the
- 6 alleged [incompetent] <u>incapacitated person</u> if he died intestate
- 7 at that time, and to such other parties as the court may direct.
- 8 The hearing may be closed to the public and without a jury
- 9 unless the alleged [incompetent] <u>incapacitated person</u> or his
- 10 counsel objects. The hearing shall be closed and with or without
- 11 a jury if the person alleged to be [incompetent] incapacitated
- 12 or his counsel so requests. The alleged [incompetent]
- 13 <u>incapacitated person</u> shall be present at the hearing unless:
- [(i)] (1) the court is satisfied, upon the [presentation
- of positive testimony] <u>deposition or testimony of a licensed</u>
- 16 <u>practitioner</u>, that because of his physical or mental
- condition his welfare would [not] be [promoted] <u>harmed</u> by his
- 18 presence; or
- 19 [(ii)] (2) it is impossible for him to be present
- 20 because of his absence from the Commonwealth. It shall not be
- 21 necessary for the alleged [incompetent] <u>incapacitated person</u>
- 22 to be represented by a guardian ad litem in the proceeding.
- 23 Counsel shall be appointed to represent the alleged
- 24 <u>incapacitated person in any matter for which independent counsel</u>
- 25 <u>has not been retained by or on behalf of that individual. If the</u>
- 26 alleged incapacitated person is unable to pay for counsel or if
- 27 payment would result in substantial financial hardship, the
- 28 county shall be responsible for the cost of counsel.
- 29 (b) Nonresident.--The court may find a person not domiciled
- 30 in the Commonwealth, having property in the Commonwealth, to be

- 1 [incompetent] <u>incapacitated</u> and may appoint a guardian of his
- 2 estate. The appointment may be made after petition, hearing and
- 3 notice, as in the case of a person domiciled in the
- 4 Commonwealth, or upon the submission of an exemplified copy of a
- 5 decree establishing his [incompetency] incapacity in another
- 6 jurisdiction. The court shall give preference in its appointment
- 7 to the foreign guardian of the nonresident [incompetent]
- 8 <u>incapacitated person</u>, unless it finds that such appointment will
- 9 not be for the best interests of the [incompetent] <u>incapacitated</u>
- 10 person.
- 11 (c) Court-appointed physician. -- Upon the filing of a
- 12 petition the alleged [incompetent] <u>incapacitated person</u> may be
- 13 examined by a physician appointed by the court who shall submit
- 14 his report in writing to the court and to the parties before the
- 15 hearing.
- 16 § 5512. County of appointment.
- 17 (a) Resident [incompetent] <u>incapacitated person</u>.--A guardian
- 18 of the person or estate of an [incompetent] incapacitated person
- 19 may be appointed by the court of the county in which the
- 20 [incompetent] <u>incapacitated person</u> is domiciled.
- 21 (b) Nonresident [incompetent] <u>incapacitated person</u>.--A
- 22 quardian of the estate within the Commonwealth of an
- 23 [incompetent] incapacitated person domiciled outside of the
- 24 Commonwealth may be appointed by the court of the judicial
- 25 district having jurisdiction of a decedent's estate or of a
- 26 trust in which the [incompetent] incapacitated person has an
- 27 interest. When the nonresident [incompetent's] incapacitated
- 28 person's estate is derived otherwise than from a decedent's
- 29 estate or a trust within the Commonwealth, a guardian may be
- 30 appointed by the court of any county where an asset of the

- 1 [incompetent] <u>incapacitated person</u> is located.
- 2 (c) Exclusiveness of appointment. -- When a court has
- 3 appointed a guardian of an [incompetent's] incapacitated person
- 4 or estate pursuant to subsection (a) or (b) [of this section],
- 5 no other court shall appoint a similar guardian for the
- 6 [incompetent] <u>incapacitated person</u> within the Commonwealth.
- 7 Section 6. Title 20 is amended by adding a section to read:
- 8 § 5512.1. Determination of incapacity.
- 9 (a) Findings.--If a person is determined to be
- 10 incapacitated, the court shall consider and make findings of
- 11 fact or conclusions of law regarding the:
- 12 (1) Nature and extent of the general intellectual
- functioning of the incapacitated person.
- 14 (2) Nature and extent of the general physical
- 15 functioning of the incapacitated person.
- 16 (3) Nature of impairment in the adaptive behavior of the
- incapacitated person.
- 18 (4) Ability of the incapacitated person to care for
- 19 himself by making and communicating responsible decisions
- 20 <u>concerning himself.</u>
- 21 (5) Ability of the incapacitated person to care for his
- financial resources by making and communicating responsible
- decisions concerning his property.
- 24 (b) Nature of the quardianship. -- The court order
- 25 <u>establishing the guardianship shall specify over which areas of</u>
- 26 <u>legal disability the quardian is assigned powers and duties. The</u>
- 27 petition shall contain the specific recommendations of the
- 28 petitioner with regard thereto. The areas may include, but are
- 29 not limited to, the following:
- 30 (1) General care, maintenance and custody of the

- 1 <u>incapacitated person.</u>
- 2 (2) Establishing the place of abode for the
- 3 <u>incapacitated person.</u>
- 4 (3) Assuring that the incapacitated person receives
- 5 <u>training</u>, education, medical and psychological services, and
- 6 <u>social and vocational opportunities, as appropriate, as well</u>
- 7 <u>as assisting the incapacitated person in the development of</u>
- 8 <u>maximum self-reliance and independence.</u>
- 9 <u>(4) Fiscal management of the assets of the incapacitated</u>
- 10 person.
- 11 (5) Providing required consents or approvals on behalf
- of the incompetent.
- (c) Legal rights retained. -- A person for whom a guardian has
- 14 been appointed shall retain all legal rights except those which
- 15 have, by court order, been designated as areas of legal
- 16 <u>disability under subsection (b)</u>. The appointment of a quardian
- 17 under this chapter shall not constitute a finding of legal
- 18 incapacity except in those areas specified by the court.
- 19 (d) Review hearing. -- The court, in its order establishing
- 20 the quardianship, shall set the date of the initial review
- 21 hearing. Such date shall be no later than six months after the
- 22 date of the order establishing the guardianship. The court shall
- 23 conduct a review hearing annually thereafter. At the review
- 24 <u>hearing the guardian shall present a report containing the</u>
- 25 following information:
- 26 (1) Significant changes in the capacity of the
- 27 incapacitated person to meet the essential requirements for
- 28 <u>his physical health or safety.</u>
- 29 (2) Services being provided to the incapacitated person.
- 30 (3) Significant actions taken for the incapacitated

- 1 person by the guardian during the reporting period.
- 2 (4) Significant problems relating to the quardianship
- 3 which have arisen during the reporting period.
- 4 (5) Whether the quardianship, in the opinion of the
- 5 guardian, should continue, be modified or be terminated, and
- 6 <u>the reasons therefor.</u>
- 7 Section 7. Sections 5513, 5514, 5515, 5516, 5517, 5518,
- 8 5521, 5522, 5524, 5525, 5534, 5535, 5536 and 5537 of Title 20
- 9 are amended to read:
- 10 § 5513. Temporary guardian.
- 11 Notwithstanding the provisions of section 5511 (relating to
- 12 petition and hearing; examination by court-appointed physician),
- 13 the court, upon petition and a hearing at which good cause is
- 14 shown, may appoint a temporary guardian or guardians of the
- 15 person or estate of a person alleged to be [incompetent]
- 16 <u>incapacitated</u>, when it appears that a failure to make such
- 17 appointment will result in irreparable harm to the person or
- 18 estate of the alleged [incompetent] incapacitated person. The
- 19 provisions of section 5511 shall be applicable to such
- 20 proceedings, except that only such notice of the petition and
- 21 hearing shall be required as shall appear to the court to be
- 22 feasible in the circumstances, and need not be given at such
- 23 times or to such persons as would be required by the provisions
- 24 of section 5511 in a proceeding for the appointment of a
- 25 guardian. A temporary guardian so appointed for the person or
- 26 estate of an alleged [incompetent] incapacitated person shall
- 27 only have and be subject to such powers, duties and liabilities
- 28 and serve for such time as the court shall direct in its decree.
- 29 § 5514. To fill vacancy; co-guardian.
- The court, after such notice to parties in interest as it

- 1 shall direct, may appoint a succeeding guardian to fill a
- 2 vacancy in the office of guardian or may appoint a co-guardian
- 3 of the estate of a person found to be [incompetent]
- 4 <u>incapacitated</u> without a hearing.
- 5 § 5515. Provisions similar to other estates.
- 6 The provisions relating to a guardian of an [incompetent]
- 7 <u>incapacitated person</u> and his surety shall be the same as are set
- 8 forth in the following provisions of this title relating to a
- 9 personal representative or a guardian of a minor and their
- 10 sureties:
- 11 Section 3182 (relating to grounds for removal).
- 12 Section 3183 (relating to procedure for and effect of
- 13 removal).
- 14 Section 3184 (relating to discharge of personal
- representative and surety).
- 16 Section 5115 (relating to appointment of guardian in
- 17 conveyance).
- 18 Section 5121 (relating to necessity, form and amount).
- 19 Section 5122 (relating to when bond not required).
- 20 Section 5123 (relating to requiring or changing amount of
- 21 bond).
- 22 § 5516. Fiduciary estate.
- 23 The court, in its discretion, upon the application of any
- 24 party in interest, in addition to any bond required for the
- 25 [incompetent's] <u>incapacitated person's</u> individual estate, may
- 26 require a separate bond in the name of the Commonwealth, with
- 27 sufficient surety, in such amount as the court shall consider
- 28 necessary for the protection of the parties in interest in an
- 29 estate of which the [incompetent] incapacitated person is a
- 30 fiduciary and conditioned in the following form:

- 1 (1) When one guardian. -- The condition of this obligation
- is that, if the said guardian shall well and truly account
- for property held by the [incompetent] <u>incapacitated person</u>
- 4 as fiduciary according to law, this obligation shall be void;
- 5 but otherwise it shall remain in force.
- 6 (2) When two or more guardians.--The condition of this
- obligation is that, if the said guardians or any of them
- 8 shall well and truly account for property held by the
- 9 [incompetent] <u>incapacitated person</u> as fiduciary according to
- 10 law, this obligation shall be void as to the guardian or
- guardians who shall so account; but otherwise it shall remain
- in force.
- 13 § 5517. Adjudication of competency.
- 14 The court, upon petition and after such notice s it shall
- 15 direct, may find, after a hearing at which good cause is shown,
- 16 that a person previously adjudged [incompetent] incapacitated
- 17 has become competent.
- 18 § 5518. Evidence of mental condition.
- 19 [In any hearing relating to the mental condition of a person
- 20 whose competency is in question, the deposition of, or sworn
- 21 statement by, a superintendent, manager, physician or
- 22 psychiatrist of any State-owned mental hospital or veterans'
- 23 administration hospital or a physician or psychiatrist at any
- 24 hospital or institution shall be admissible in evidence as to
- 25 the condition of an inmate of such hospital in lieu of his
- 26 appearance and testimony, unless by special order, the court
- 27 directs his appearance and testimony in person.] In any hearing
- 28 to establish a quardianship, a licensed practitioner shall be
- 29 <u>subject to cross-examination by counsel for the alleged</u>
- 30 incapacitated person.

- 1 § 5521. Provisions concerning powers, duties and liabilities.
- 2 (a) General rule. -- The provisions concerning the powers,
- 3 duties and liabilities of guardians of [incompetents']
- 4 <u>incapacitated persons'</u> estates shall be the same as those set
- 5 forth in the following provisions of this title relating to
- 6 personal representatives of decedents' estates and guardians of
- 7 minors' estates:
- 8 Section 3313 (relating to liability insurance).
- 9 Section 3314 (relating to continuation of business).
- 10 Section 3315 (relating to incorporation of estate's
- 11 business).
- 12 Section 3317 (relating to claims against co-fiduciary).
- 13 Section 3318 (relating to revival of judgments against
- 14 personal representative).
- Section 3319 (relating to power of attorney; delegation
- of power over subscription rights and fractional shares;
- 17 authorized delegations).
- 18 Section 3320 (relating to voting stock by proxy).
- 19 Section 3321 (relating to nominee registration; corporate
- 20 fiduciary as attorney-in-fact; deposit of securities in a
- clearing corporation; book-entry securities).
- 22 Section 3322 (relating to acceptance of deed in lieu of
- foreclosure).
- Section 3323 (relating to compromise of controversies).
- 25 Section 3324 (relating to death or incompetency of
- 26 fiduciary).
- 27 Section 3327 (relating to surviving or remaining personal
- representatives).
- 29 Section 3328 (relating to disagreement of personal
- 30 representatives).

- 1 Section 3331 (relating to liability of personal 2 representative on contracts). 3 Section 3332 (relating to inherent powers and duties). Section 3355 (relating to restraint of sale). 4 5 Section 3356 (relating to purchase by personal 6 representative). 7 Section 3359 (relating to record of proceedings; county 8 where real estate lies). Section 3360 (relating to contracts, inadequacy of 9 consideration or better offer; brokers' commissions). 10 Section 3372 (relating to substitution of personal 11 12 representative in pending action or proceedings). 13 Section 3374 (relating to death or removal of fiduciary). Section 3390 (relating to specific performance of 14 15 contracts). Section 5141 (relating to possession of real and personal 16 17 property). 18 Section 5142 (relating to inventory). 19 Section 5143 (relating to abandonment of property). 20 Section 5145 (relating to investments). Section 5146 (relating to guardian named in conveyance). 21 Section 5147 (relating to proceedings against guardian). 22 23 Section 5151 (relating to power to sell personal 24 property). Section 5154 (relating to title of purchaser). 25 Section 5155 (relating to order of court). 26 27 (b) Powers and duties not granted to guardian. -- Unless 28 otherwise ordered by the court, a quardian shall not have the power and duty to: 29 30 (1) Admit the incapacitated person to any institution
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- 1 for the treatment of the mentally ill or to any facility for
- 2 <u>the care and training of the mentally retarded.</u>
- 3 (2) Consent on behalf of the incapacitated person to an
- 4 <u>abortion</u>, <u>sterilization</u>, <u>psychosurgery or removal of a body</u>
- 5 <u>organ</u>.
- 6 (3) Prohibit the marriage or divorce of the
- 7 <u>incapacitated person.</u>
- 8 (4) Consent on behalf of the incapacitated person to the
- 9 <u>termination of the person's parental rights.</u>
- 10 (5) Consent on behalf of the incapacitated person to the
- 11 performance of any experimental biomedical or behavioral
- 12 <u>medical procedure or participation in any biomedical or</u>
- behavioral experiment.
- 14 (6) Consent on behalf of the incapacitated person to the
- withholding or withdrawal of life-sustaining medical or other
- 16 services.
- 17 (7) Consent on behalf of the incapacitated person to
- 18 placement in a nursing home.
- 19 § 5522. Power to lease.
- 20 A guardian may lease any real or personal property of the
- 21 [incompetent] <u>incapacitated person</u> for a term not exceeding five
- 22 years after its execution.
- 23 § 5524. Effect of determination of [incompetency] incapacity.
- 24 An [incompetent] <u>incapacitated person</u> shall be incapable of
- 25 making any contract or gift or any instrument in writing after
- 26 he is adjudged [incompetent] incapacitated and before he is
- 27 adjudged to have regained his competency. This section shall not
- 28 impair the interest in real estate acquired by a bona fide
- 29 grantee of, or a bona fide holder of a lien on, real estate in a
- 30 county other than that in which the decree establishing the

- 1 [incompetency] incapacity is entered, unless the decree or a
- 2 duplicate original or certified copy thereof is recorded in the
- 3 office of the recorder of deeds in the county in which the real
- 4 estate lies before the recording or entering of the instrument
- 5 or lien under which the grantee or lienholder claims.
- 6 § 5525. Notice to Commonwealth and political subdivisions.
- 7 When the Commonwealth or a political subdivision thereof has
- 8 a claim for maintaining an [incompetent] incapacitated person in
- 9 an institution, the guardian within three months of his
- 10 appointment, shall give notice thereof to the Department of
- 11 Revenue or the proper officer of such political subdivision, as
- 12 the case may be.
- 13 § 5534. Recognition of claims.
- 14 Upon the audit of the account of the guardian of a person who
- 15 has died during [incompetency] <u>incapacity</u>, the auditing judge or
- 16 auditor passing on the account shall not pass upon any claims
- 17 against the estate of the [incompetent] <u>incapacitated person</u>
- 18 other than necessary administration expenses, including
- 19 compensation of the guardian and his attorney. All claims
- 20 remaining unpaid at the [incompetent's] incapacitated person's
- 21 death shall be presented to the personal representative.
- 22 § 5535. Disposition of trust income.
- 23 Except as otherwise provided by the trust instrument, the
- 24 trustee of an inter vivos or testamentary trust, with the
- 25 approval of the court having jurisdiction of the trust, may pay
- 26 income distributable to [an incompetent beneficiary] a
- 27 beneficiary who is an incapacitated person for whose estate no
- 28 guardian has been appointed directly to the [incompetent]
- 29 <u>incapacitated person</u>, or expend and apply it for his care and
- 30 maintenance or the care, maintenance and education of his

- 1 dependents.
- 2 § 5536. Distributions of income and principal during
- 3 [incompetency] incapacity.
- 4 (a) In general. -- All income received by a guardian of the
- 5 estate of an [incompetent] incapacitated person, including
- 6 (subject to the requirements of Federal law relating thereto)
- 7 all funds received from the Veterans' Administration, Social
- 8 Security Administration and other periodic retirement or
- 9 disability payments under private or governmental plans, in the
- 10 exercise of a reasonable discretion, may be expended in the care
- 11 and maintenance of the [incompetent] incapacitated person,
- 12 without the necessity of court approval. The court, for cause
- 13 shown and with only such notice as it considers appropriate in
- 14 the circumstances, may authorize or direct the payment or
- 15 application of any or all of the income or principal of the
- 16 estate of an [incompetent] incapacitated person for the care,
- 17 maintenance or education of the [incompetent] incapacitated
- 18 person, his spouse, children or those for whom he was making
- 19 such provision before his [incompetency] incapacity, or for the
- 20 reasonable funeral expenses of the [incompetent's] incapacitated
- 21 person's spouse, child or indigent parent. In proper cases, the
- 22 court may order payment of amounts directly to the [incompetent]
- 23 <u>incapacitated person</u> for his maintenance or for incidental
- 24 expenses and may ratify payments made for these purposes.
- 25 (b) Estate plan. -- The court, upon petition and with notice
- 26 to all parties in interest, shall have the power to substitute
- 27 its judgment for that of the [incompetent] incapacitated person
- 28 with respect to the estate and affairs of the [incompetent]
- 29 <u>incapacitated person</u> for the benefit of the [incompetent]
- 30 <u>incapacitated person</u>, his family, members of his household, his

- 1 friends and charities in which he was interested. This power
- 2 shall include, but is not limited to, the power to:
- 3 (1) Make gifts, outright or in trust.
- 4 (2) Convey, release or disclaim his contingent and
- 5 expectant interests in property, including marital property
- 6 rights and any right of survivorship incident to joint
- tenancy or tenancy by the entirety.
- 8 (3) Release or disclaim his powers as trustee, personal
- 9 representative, custodian for minors, or guardian.
- 10 (4) Exercise, release or disclaim his powers as donee of
- a power of appointment.
- 12 (5) Enter into contracts.
- 13 (6) Create for the benefit of the [incompetent]
- 14 <u>incapacitated person</u> or others, revocable or irrevocable
- trusts of his property which may extend beyond his disability
- or life.
- 17 (7) Exercise options of the [incompetent] <u>incapacitated</u>
- 18 <u>person</u> to purchase or exchange securities or other property.
- 19 (8) Exercise his rights to elect options and change
- 20 beneficiaries under insurance and annuity policies or
- 21 surrender the policies for their cash value.
- 22 (9) Exercise his right to claim or disclaim an elective
- 23 share in the estate of his deceased spouse and renounce any
- interest by testate or intestate succession or by inter vivos
- 25 transfer.
- 26 (10) Change the [incompetent's] <u>incapacitated person's</u>
- 27 residence or domicile.
- 28 In the exercise of its judgment for that of the [incompetent]
- 29 <u>incapacitated person</u>, the court first being satisfied that
- 30 assets exist which are not required for the maintenance, support

- 1 and well-being of the [incompetent] incapacitated person, may
- 2 adopt a plan of gifts which results in minimizing current or
- 3 prospective income, estate or inheritance taxes, or which
- 4 carries out a lifetime giving pattern. The court in exercising
- 5 its judgment may consider the testamentary and inter vivos
- 6 intentions of the [incompetent] <u>incapacitated person</u> insofar as
- 7 they can be ascertained.
- 8 § 5537. Reserve for funeral.
- 9 (a) In general. -- The court may authorize the guardian to
- 10 retain such assets not exceeding \$1,200 in value as are deemed
- 11 appropriate for the anticipated expense of the [incompetent's]
- 12 <u>incapacitated person's</u> funeral, including the cost of a burial
- 13 lot or other resting place, which shall be exempt from all
- 14 claims including claims of the Commonwealth. The court with
- 15 notice thereof to the institution or person having custody of
- 16 the [incompetent] incapacitated person may also authorize the
- 17 guardian or another person to set aside such assets in the form
- 18 of a savings account in a financial institution which account
- 19 shall not be subject to escheat during the lifetime of the
- 20 [incompetent] <u>incapacitated person</u>. Such assets may be disbursed
- 21 by the guardian or person who set aside such assets or by the
- 22 financial institution for such funeral expenses without further
- 23 authorization or accounting. Any part of such assets not so
- 24 disbursed shall constitute a part of the deceased
- 25 [incompetent's] <u>incapacitated person's</u> estate. Should the
- 26 [incompetent] <u>incapacitated person</u> become [competent]
- 27 capacitated or should such assets become excessive, the court,
- 28 upon petition of any party in interest, may make such order as
- 29 the circumstances shall require.
- 30 (b) Definition.--As used in this section "financial

- 1 institution" includes a bank, a bank and trust company, a trust
- 2 company, a savings and loan association, a building and loan
- 3 association, a savings bank, a private bank and a national bank.
- 4 Section 8. This act shall apply to all proceedings begun
- 5 after the effective date of this act and proceedings in progress
- 6 may be amended with leave of court to conform to this act.
- 7 Existing guardianships may be modified by the court in
- 8 accordance with this act upon petition of any interested party.
- 9 Section 9. This act shall take effect in 60 days.