

ORIGINAL HOUSE
BILL NO. HB0064

ENROLLED ACT NO. 40, HOUSE OF REPRESENTATIVES

SIXTY-SIXTH LEGISLATURE OF THE STATE OF WYOMING
2021 GENERAL SESSION

AN ACT relating to the Uniform Fraudulent Transfer Act; specifying when claims related to fraudulent transfers to qualified spendthrift trusts and irrevocable trusts are extinguished; amending time limits for extinguishing other actions involving fraudulent transfers; making conforming amendments and technical corrections; specifying applicability; and providing for an effective date.

Be It Enacted by the Legislature of the State of Wyoming:

Section 1. W.S. 4-10-514 and 34-14-210 are amended to read:

4-10-514. Action brought pursuant to provisions of Uniform Fraudulent Transfer Act.

Except as provided in W.S. 4-10-518, no action of any kind, including an action to enforce a judgment entered by a court or other body having adjudicative authority, may be brought at law or in equity for an attachment or other provisional remedy against qualified trust property or to set aside a qualified transfer unless the action is brought pursuant to the provisions of the Uniform Fraudulent ~~Transfers~~Transfer Act.

34-14-210. Extinguishment of claim for relief.

(a) Except as provided in subsection (b) of this section, a claim for relief with respect to a fraudulent transfer or obligation under this act is extinguished unless an action is brought:

(i) Under W.S. 34-14-205(a)(i), within ~~four (4)~~two (2) years after the transfer was made or the obligation was incurred or, if later, within ~~one (1) year~~six (6)

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months after the transfer or obligation was or could reasonably have been discovered by the claimant;

(ii) Under W.S. ~~31-14-205(a)(ii)~~ 34-14-205(a)(ii) or 34-14-206(a), within ~~four (4)~~ two (2) years after the transfer was made or the obligation was incurred; or

(iii) Under W.S. 34-14-206(b), within ~~one (1)~~ year-six (6) months after the transfer was made or the obligation was incurred.

(b) A claim for relief with respect to a fraudulent transfer or obligation under this act involving qualified transfers to a qualified spendthrift trust as provided by W.S. 4-10-510 through 4-10-515 or involving transfers to an irrevocable discretionary trust, provided that the trustee may only make discretionary distributions under W.S. 4-10-506(c), is extinguished unless an action is brought:

(i) With respect to a creditor known to the settlor, one hundred twenty (120) days after the date on which notice of the transfer is mailed to the creditor, provided that the notice states:

(A) The name and address of the settlor or the settlor's representative and the name and address of the trustee or the trustee's representative;

(B) That assets were transferred to a qualified spendthrift trust or to an irrevocable trust where the trustee can only make discretionary distributions; and

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(C) That the creditor is required to initiate an action against the settlor and the trustee within one hundred twenty (120) days from the mailing of the notice or the claim is forever barred.

(ii) With respect to a creditor not known to the settlor, one hundred twenty (120) days after the date on which notice of the transfer is first published in a newspaper of general circulation in the county in which the settlor resides, provided that the notice includes the information required in paragraph (i) of this subsection;

(iii) Notwithstanding paragraphs (i) and (ii) of this subsection, within the later of two (2) years after the transfer is made or six (6) months after the transfer is or reasonably could have been discovered by the creditor if the creditor can demonstrate by clear and convincing evidence that the creditor asserted a specific claim against the settlor before the transfer.

Section 2. The provisions of this act shall apply to causes of action involving fraudulent transfers that accrue on or after the effective date of this act.

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Section 3. This act is effective July 1, 2021.

(END)

Speaker of the House

President of the Senate

Governor

TIME APPROVED: _____

DATE APPROVED: _____

I hereby certify that this act originated in the House.

Chief Clerk