



House of Representatives
COMMONWEALTH OF PENNSYLVANIA
HARRISBURG

MEMORANDUM

DATE: October 1, 2002

SUBJECT: Charitable Trust Legislation

TO: The Honorable Peter J. Zug

FROM: Joseph C. Miller, Executive Director (R)
Commerce and Economic Development Committee

I enclose a blueback for your review in fulfillment of your request for legislation regarding membership on the Hershey Trust Board. The Legislative Reference Bureau could not restrict residency to the contiguous three counties.

This bill, however, has four main parts:

1. amends the Decedents, Estates and Fiduciaries Act, giving you many more opportunities for attachment to existing bills than the original Department of Banking Code, for which no vehicles are currently available;
2. limits applicability of the bill to charitable trusts in which at least 75% of the trust consists of stock of a Pennsylvania corporation;
3. allows the Attorney General to bring an action to remove a trustee if he is not giving proper consideration to the economic and tax impacts of his actions when discharging his duties; and
4. requires any replacement trustee to meet the pre-1995 standard of residency within 100 miles of the headquarters *or if the original trust document specifies a geographic*

I hope this legislation meets your needs.

area from which beneficiaries are drawn, the replacement must be domiciled in the specific geographic area.

PETER J. ZUG, MEMBER

HARRISBURG OFFICE:
HOUSE POST OFFICE BOX 202020
MAIN CAPITOL BUILDING
HARRISBURG, PENNSYLVANIA 17120-2020
PHONE: (717) 787-2686
TOLL FREE 1-800-956-4050

MYERSTOWN OFFICE:
112 WEST MAIN AVENUE
MYERSTOWN, PA 17067
PHONE: (717) 866-9144



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House of Representatives
COMMONWEALTH OF PENNSYLVANIA
HARRISBURG

MEMORANDUM

TO: ALL MEMBERS

FROM: REPRESENTATIVE PETER ZUG

RE: CHARITABLE TRUST LEGISLATION

DATE: October 8, 2002

In the very near future I will be introducing an important piece of legislation regarding membership on the Hershey Trust Board.

This bill has two main parts:

1. allows the Attorney General to bring an action to remove a trustee if he is not giving proper consideration to the economic and tax impacts of his actions when discharging his duties; and
2. requires any replacement trustee to meet the pre-1995 standard of residency within 100 miles of the headquarters or if the original trust document specifies a geographic area from which beneficiaries are drawn the replacement must be domiciled in the specified geographic area.

I strongly encourage you to sign on as a co-sponsor of my legislation. If you are interested in being a co-sponsor, please contact Lori Losch at 787-2686 or llosch@pahousegop.com.



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