

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

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SENATE BILL 398

Short Title: Perpetuities & Trusts/Amend Constitution. (Public)

Sponsors: Senators Goolsby, Clodfelter, Brunstetter; Allran, Bingham, Blake, Brown, Clary, Daniel, Forrester, Hunt, Newton, Preston, and Stevens.

Referred to: Judiciary I.

March 23, 2011

A BILL TO BE ENTITLED

AN ACT TO AMEND THE NORTH CAROLINA CONSTITUTION TO CLARIFY THAT
THE PROHIBITION AGAINST PERPETUITIES DOES NOT APPLY TO CHARITIES
AND TRUSTS.

The General Assembly of North Carolina enacts:

SECTION 1. Section 34 of Article I of the North Carolina Constitution reads as
rewritten:

"Sec. 34. Perpetuities and monopolies.

Perpetuities and monopolies are contrary to the genius of a free state and shall not be
allowed. The prohibition against perpetuities does not apply to noncharitable trusts or
charitable entities, including charitable trusts."

SECTION 2. The amendment set out in Section 1 of this act shall be submitted to
the qualified voters of the State at the general election in November 2012, which election shall
be conducted under the laws then governing elections in the State. Ballots, voting systems, or
both may be used in accordance with Chapter 163 of the General Statutes. The question to be
used in the voting systems and ballots shall be:

"[] FOR [] AGAINST

Constitutional amendment to provide that the constitutional prohibition against perpetuities
does not apply to noncharitable trusts or charitable entities, including charitable trusts."

SECTION 3. If a majority of the votes cast on the question are in favor of the
amendment set out in Section 1 of this act, the State Board of Elections shall certify the
amendment to the Secretary of State, who shall enroll the amendment so certified among the
permanent records of that office. The amendment becomes effective January 1, 2013.

SECTION 4. This act is effective when it becomes law.

