Approved: 2/18/10
Date

MINUTES OF THE HOUSE JUDICIARY COMMITTEE

The meeting was called to order by Vice Chairman Jeff Whitham at 3:30 p.m. on January 27, 2010, in Room 346-S of the Capitol.

All members were present except:
Representative Jeff King- excused
Representative Lance Kinzer- excused
Representative Annie Kuether- excused
Representative Gene Suellentrop- excused
Representative Jim Ward- excused
Representative Kevin Yoder- excused

Committee staff present:
Jason Long, Office of the Revisor of Statutes
Matt Sterling, Office of the Revisor of Statutes
Jill Wolters, Office of the Revisor of Statutes
Athena Andaya, Kansas Legislative Research Department
Jerry Donaldson, Kansas Legislative Research Department
Sue VonFeldt, Committee Assistant

Conferees appearing before the Committee:
Mark Knackendoffel-President and CEO of Manhatten Trust. Co.
Eric Anderson-Salina-Kansas Judicial Council

Others attending:
See attached list.

Representative Pauls presented a bill to the committee in support of a request from the Attorney General's office and the AARP that would require registration that would provide protection for businesses and individuals regarding Power of Attorney.

Vice Chairman Whitham accepted the bill without objection.

The hearing on **HB 2455** - Amendments to uniform principal and income act was opened.

1/27

Jason Long, Revisor's Office gave an overview of the bill. This bill amends the Uniform Principal and Income Act (UPIA). The UPIA is a uniform code of laws governing how income and distributions are handled in the administration of trusts and estates. Sections 1 and 2 of the bill address issues with the estate tax marital deduction. The general rule is that an estate tax marital deduction is not allowed for a transfer to a trust that benefits a surviving spouse. Two exceptions to this rule are transfers to a life estate power of appointment trust (LEPA) and a qualified terminable interest property trust (QTIP). When a LEPA or QTIP is named as the beneficiary of a qualified retirement plan or IRA, the IRS requires that the surviving spouse be assured of receiving all of the income produced by the qualified plan or IRA.

Sections 1 and 2 of the bill make the appropriate changes to the UPIA to allow a trustee of a LEPA or QTIP to administer the funds received by the trust in accordance with IRS rules so that the trust qualifies for the estate tax marital deduction. On page 2, starting in line 13 of the bill new subsection (d) of K.S.A. 58-9-409 provides that for LEPA and QTIP trusts, the trustee's allocation shall be in accordance with subsections (f) and (g) so that it complies with the IRS rules.

Section 3 of the bill clarifies how the trustee is to proportion trust income for which a tax must be paid. This is a calculation performed by the trustee to determine the amount of the receipt that is to be paid for taxes and the amount to be distributed to the beneficiary of the trust. (Attachment 1)

Proponents:
Mark Knackendoffel, President and CEO of Manhatten Trust Company spoke, on behalf of the Kansas Judicial Council, in support of the bill. He explained in 2008 the Uniform Law Commissioners adopted amendments to the Uniform Principal and Income Act (UPIA)to provide procedures for trusts administering

an estate to separate principal from income, and to insure that the intention of the trust creator is the guiding principal for trustees. These 2008 amendments reflect the current policy of the Internal Revenue Service and clarify technical language regarding withholdings. He named the17 states that have adopted these 2008 amendments.

At its Annual Meeting in 2008, the Uniform Law Commission approved amendments to Sections 409 and 505 of the UPIA, to implement technical changes related to developments and interpretations relating to tax matters.

He explained the Amendment to UPIA, Section 409, is designed to bring the UPIA into compliance with the IRS' position, to ensure that the trust qualifies for the marital deduction to minimize estate taxes in accordance with the decedent's plans.

The Amendment to UPIA, Section 505, clarifies that the trust will keep enough money to pay its taxes and distribute the balance of income to the mandatory income beneficiary.

Because the trust's taxes and the amounts distributed to a beneficiary are interrelated, the trust may be required to apply a formula to determine the correct amount payable to a beneficiary and provided an example of this formula. (Attachment 2)

There were no opponents.

The hearing on **HB 2455** was closed.

The hearing on **HB 2456 - Probate; filing of affidavits regarding decedent's probate estate** was opened.

Jason Long, Revisor's Office gave an overview of the bill. For property to pass as provided in a will the will must be filed for probate in district court and is required to be filed for probate within six months after the death of the decedent. K.S.A. 59-618a allows an individual to preserve the probate process for a will without initiating probate proceedings. Under current law a person may file the will and an affidavit that complies with subsection (b) of K.S.A. 59-618a if the decedent's estate contains no real property and the value of the estate is less than the total of all demands against the estate. If such filing is made within six months after the death of the testator, then the will may be admitted to probate after the six month period of time.

This bill amends subsection (a) of K.S.A. 59-618a regarding when a will can be filed pursuant to this section. Under the bill a will and affidavit can be filed if the decedent's probate estate contains no known real or personal property, or the value is less than the total of all demands against the estate. Under the proposed amendments a will could be filed even thought real property of the estate was discovered after such filing, as long as the individual filing the will did not know that the property was part of the estate. This would also apply to personal property of the probate estate. Also under the bill the requirement that the value of the estate be less than the total demands against the estate would become a separate qualifier rather than an absolute requirement. The bill makes not changes to subsection (b) regarding the requirements of the affidavit itself. (Attachment 3)

Eric Anderson, Salina, spoke to the committee on behalf of the Kansas Judicial Council in support of the bill. He explained the current version of K.S.A. 59-618a allows a person to execute an affidavit to file a decedent's will to preserve its integrity for possible future probate only if the "decedent's estate contains no real property, and then asked the question "what happens then, if a person files an affidavit pursuant to K.S.A. 59-618a stating there is no real property in the decedent's estate, but then later discovers real property"? He stated there are inconsistencies among District Courts in Kansas in the interpretation of this statute. He further explained if this bill is enacted, the various issues that would be resolved. He also stated the proposed changes are to preserve the intent of the testator on the chance a tract or real property was missed in the trust funding process. (Attachment 4)

There were no opponents.

Minutes of the House Judiciary Committee at 3:30 p.m. on January 27, 2010, in Room 346-S of the Capitol.

Discussion followed regarding some of the wording and the impact if changes were made.

The hearing on **HB 2456** was closed.

The next meeting is scheduled for January 28, 2010.

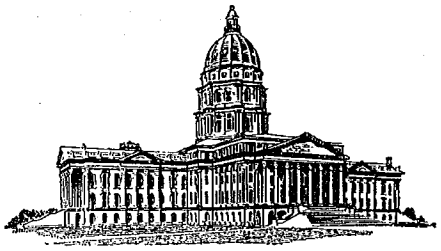
The meeting was adjourned at 4:10 p.m.

JUDICIARY COMMITTEE GUEST LIST

DATE: 01-27-10

NAME	REPRESENTING
Eric N. Anderson	Judicial Council - HB 2456
Carly Anderson	observer
MARK KNACKENDOFFEL	JUDICIAL COUNCIL
Randy Hearrell	Judicial Council
Joseph Molina	KS BAR ASSN.
Lane Walsh	Judicial Branch
Sean Miller	Capitol Strategies
Brett Cahill	GBA
Kevin Berens	KBIA
R.J. Wilson	KSAGJ

MARY ANN TORRENCE, ATTORNEY
REVISOR OF STATUTES
JAMES A. WILSON III, ATTORNEY
FIRST ASSISTANT REVISOR
GORDON L. SELF, ATTORNEY
FIRST ASSISTANT REVISOR



OFFICE OF REVISOR OF STATUTES
KANSAS LEGISLATURE

Legal Consultation—
Legislative Committees and Legislators
Legislative Bill Drafting
Legislative Committee Staff
Secretary—
Legislative Coordinating Council
Kansas Commission on
Interstate Cooperation
Kansas Statutes Annotated
Editing and Publication
Legislative Information System

Brief on HB 2455
Amendments to the Uniform Principal and Income Act

Jason B. Long
Assistant Revisor
Office of Revisor of Statutes

January 27, 2010

HB 2455 amends the Uniform Principal and Income Act (UPIA). The UPIA is a uniform code of laws governing how income and distributions are handled in the administration of trusts and estates. Sections 1 and 2 of the bill address issues with the estate tax marital deduction. The general rule is that an estate tax marital deduction is not allowed for a transfer to a trust that benefits a surviving spouse. Two exceptions to this rule are transfers to a life estate power of appointment trust (LEPA) and a qualified terminable interest property trust (QTIP). When a LEPA or QTIP is named as the beneficiary of a qualified retirement plan or IRA, the IRS requires that the surviving spouse be assured of receiving all of the income produced by the qualified plan or IRA.

Sections 1 and 2 of the bill make the appropriate changes to the UPIA to allow a trustee of a LEPA or QTIP to administer the funds received by the trust in accordance with IRS rules so that the trust qualifies for the estate tax marital deduction. On page 2, starting in line 13 of the bill new subsection (d) of K.S.A. 58-9-409 provides that for LEPA and QTIP trusts the trustee's allocation shall be in accordance with subsections (f) and (g) so that it complies with IRS rules.

Section 3 of the bill clarifies how the trustee is to proportion trust income for which a tax must be paid. This is a calculation performed by the trustee to determine the amount of the receipt that is to be paid for taxes and the amount to be distributed to the beneficiary of the trust.

300 SW TENTH AVE - STE 010-E, Statehouse—TOPEKA, KANSAS 6
PHONE (785) 296-2321 FAX (785) 296-6668 E-mail: Revisor'sO

House Judiciary
Date 1-27-10
Attachment # 1

KANSAS JUDICIAL COUNCIL

Kansas Judicial Center
301 S.W. Tenth Street, Suite 140
Topeka, Kansas 66612-1507

Telephone (785) 296-2498
Facsimile (785) 296-1035

judicial.council@ksjc.state.ks.us
www.kansasjudicialcouncil.org

MEMORANDUM Mark Knackendoffel

TO: **House Judiciary Committee**
FROM: **Kansas Judicial Council**
DATE: **January 27, 2010**
RE: **Judicial Council Testimony on 2010 HB 2455 Relating to the Uniform Principal and Income Act**

In 2008 the Uniform Law Commissioners adopted amendments to the Uniform Principal and Income Act to provide procedures for trusts administering an estate to separate principal from income, and to insure that the intention of the trust creator is the guiding principal for trustees. These 2008 amendments reflect the current policy of the Internal Revenue Service and clarify technical language regarding withholdings.

These 2008 amendments have been adopted in 17 states; Arizona, California, Colorado, Delaware, Idaho, Indiana, Iowa, Nebraska, Nevada, North Dakota, Oklahoma, South Dakota, Texas, Virginia, Utah, Washington and West Virginia.

At its Annual Meeting in 2008, the Uniform Law Commission approved amendments to Sections 409 and 505 of the Uniform Principal & Income Act (UPIA), to implement technical changes related to developments and interpretations relating to tax matters. The amendments are described as follows:

Amendment to Uniform Principal and Income Act Section 409:

Sometimes a person leaves his or her IRA or similar retirement plan to a trust for his or her spouse instead of to the spouse outright. This is not uncommon when the person has children by a prior marriage or has a spouse who is incapable or unwilling to manage money. Qualifying this trust for the federal estate tax marital deduction prevents estate tax from being incurred until the surviving spouse dies.

House Judiciary
Date 1-27-10
Attachment # 2

Revenue Ruling 2006-26 sets forth the Internal Revenue Service's view of when a Plan payable to a trust will qualify for the marital deduction. The spouse must have the right to require that the Plan's income be distributed to the spouse. To the extent that the Plan earns income (as defined in the UPIA), the trustee must pay to the spouse any distributions received from the Plan.

This IRS ruling directly criticizes the UPIA's formula for allocating IRA distributions between principal and income. The changes to this section are designed to bring the UPIA into compliance with the IRS' position, to ensure that the trust qualifies for the marital deduction to minimize estate taxes in accordance with the decedent's plans. These changes also address the policies underlying the ruling-that might cause concern in other situations.

Amendment to Uniform Principal and Income Act Section 505:

It is not uncommon for trusts that are required to pay income to a beneficiary to own an interest in a closely-held business ("entity"). Often, the trust needs to report its share of the entity's income, whether or not the trust actually receives all of this income. A limited liability company taxed as a partnership is a common example of such an entity.

Many such entities distribute to their owners only enough income to enable the owners to pay their tax obligations. They commonly reinvest the rest of the income in business operations. This strategy works well when the owners are individuals, but it can cause problems when the owners are mandatory income trusts, as described below.

Take, for example, a trust that has a 40% combined federal and state income tax rate and it is to be taxed on $100 of the entity's income. The entity distributes $40 to the trust to fund the tax obligation. If the trust is required to distribute the full $40 to the beneficiary, the trust will be taxed on $60 of income ($100 minus the $40 that was distributable to the beneficiary), but will have no money remaining to pay its taxes. The beneficiary would be liable for the taxes on the $40 distribution.

UPIA section 505 provides a formula for calculating how much the trust needs to distribute and how much it can use to pay taxes. The existing language is ambiguous and has led to litigation. The proposed change clarifies that the trust will keep enough money to pay its taxes and distribute the balance of the income to the mandatory income beneficiary.

Comment to Section 1 of HB 2455

The Uniform Law Commissioners suggest this section relating to "transitional matters" be adopted along with the amendments to K.S.A. 58-9-409 and 58-9-505. The Uniform Law Commissioners suggest this section be numbered "Section 606."

Uniform Law Commissioner's Comment to Section 2 of HB 2455

Marital deduction requirements. When an IRA or other retirement arrangement (a "plan") is payable to a marital deduction trust, the IRS treats the plan as a separate property interest that itself must qualify for the marital deduction. IRS Revenue Ruling 2006-26 said that, as written,

Section 409 does not cause a trust to qualify for the IRS' safe harbors. Revenue Ruling 2006-26 was limited in scope to certain situations involving IRAs and defined contribution retirement plans. Without necessarily agreeing with the IRS' position in that ruling, the revision to this section is designed to satisfy the IRS' safe harbor and to address concerns that might be raised for similar assets. No IRS pronouncements have addressed the scope of Code § 2056(b)(7)(C).

Subsection (f) requires the trustee to demand certain distributions if the surviving spouse so requests. The safe harbor of Revenue Ruling 2006-26 requires that the surviving spouse be separately entitled to demand the fund's income (without regard to the income from the trust's other assets) and the income from the other assets (without regard to the fund's income). In any event, the surviving spouse is not required to demand that the trustee distribute all of the fund's income from the fund or from other trust assets. Treas. Reg. § 20.2056(b)-5(f)(8).

Subsection (f) also recognizes that the trustee might not control the payments that the trustee receives and provides a remedy to the surviving spouse if the distributions under subsection (d)(1) are insufficient.

Subsection (g) addresses situations where, due to lack of information provided by the fund's administrator, the trustee is unable to determine the fund's actual income. The bracketed language is the range approved for unitrust payments by Treas. Reg. § 1.643(b)-1. In determining the value for purposes of applying the unitrust percentage, the trustee would seek to obtain the value of the assets as of the most recent statement of value immediately preceding the beginning of the year. For example, suppose a trust's accounting period is January 1 through December 31. If a retirement plan administrator furnishes information annually each September 30 and declines to provide information as of December 31, then the trustee may rely on the September 30 value to determine the distribution for the following year. For funds whose values are not readily available, subsection (g) relies on Code section 7520 valuation methods because many funds described in Section 409 are annuities, and one consistent set of valuation principles should apply whether or not the fund is, in fact, an annuity.

Uniform Law Commissioner's Comment to Section 3 of HB 2455

Taxes on Undistributed Entity Taxable Income. When a trust owns an interest in a pass-through entity, such as a partnership or S corporation, it must report its share of the entity's taxable income regardless of how much the entity distributes to the trust. Whether the entity distributes more or less than the trust's tax on its share of the entity's taxable income, the trust must pay the taxes and allocate them between income and principal.

Subsection (c) requires the trust to pay the taxes on its share of an entity's taxable income from income or principal receipts to the extent that receipts from the entity are allocable to each. This assures the trust a source of cash to pay some or all of the taxes on its share of the entity's taxable income. Subsection 505(d) recognizes that, except in the case of an Electing Small Business Trust (ESBT), a trust normally receives a deduction for amounts distributed to a beneficiary. Accordingly, subsection 505(d) requires the trust to increase receipts payable to a beneficiary as determined under subsection (c) to the extent the trust's taxes are reduced by distributing those receipts to the beneficiary.

Because the trust's taxes and amounts distributed to a beneficiary are interrelated, the trust may be required to apply a formula to determine the correct amount payable to a beneficiary. This formula should take into account that each time a distribution is made to a beneficiary, the trust taxes are reduced and amounts distributable to a beneficiary are increased. The formula assures that after deducting distributions to a beneficiary, the trust has enough to satisfy its taxes on its share of the entity's taxable income as reduced by distributions to beneficiaries.

Example (1) – Trust T receives a Schedule K-1 from Partnership P reflecting taxable income of $1 million. Partnership P distributes $100,000 to T, which allocates the receipts to income. Both Trust T and income Beneficiary B are in the 35 percent tax bracket.

Trust T's tax on $1 million of taxable income is $350,000. Under Subsection (c) T's tax must be paid from income receipts because receipts from the entity are allocated only to income. Therefore, T must apply the entire $100,000 of income receipts to pay its tax. In this case, Beneficiary B receives nothing.

Example (2) - Trust T receives a Schedule K-1 from Partnership P reflecting taxable income of $1 million. Partnership P distributes $500,000 to T, which allocates the receipts to income. Both Trust T and income Beneficiary B are in the 35 percent tax bracket.

Trust T's tax on $1 million of taxable income is $350,000. Under Subsection (c), T's tax must be paid from income receipts because receipts from P are allocated only to income. Therefore, T uses $350,000 of the $500,000 to pay its taxes and distributes the remaining $150,000 to B. The $150,000 payment to B reduces T's taxes by $52,500, which it must pay to B. But the $52,500 further reduces T's taxes by $18,375, which it also must pay to B. In fact, each time T makes a distribution to B, its taxes are further reduced, causing another payment to be due B.

Alternatively, T can apply the following algebraic formula to determine the amount payable to B:

$D = (C-R*K)/(1-R)$

D = Distribution to income beneficiary

C = Cash paid by the entity to the trust

R = tax rate on income

K = entity's K-1 taxable income

Applying the formula to Example (2) above, Trust T must pay $230,769 to B so that after deducting the payment, T has exactly enough to pay its tax on the remaining taxable income from P.

Taxable Income per K-1	$1,000,000
Payment to beneficiary	$ 230,769[1]

[1] $D = (C-R*K)/(1-R) = (500,000 – 350,000)/(1 - .35) = \$230,769$. (D is the amount payable to the income beneficiary, K is the entity's K-1 taxable income, R is the trust ordinary tax rate, and C is the cash distributed by the entity).

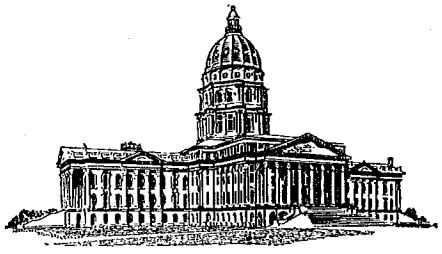
Trust Taxable Income	$ 769,231
35 percent tax	$ 269,231

Partnership Distribution	$ 500,000
Fiduciary's Tax Liability	$(269,231)
Payable to the Beneficiary	$ 230,769

In addition, B will report $230,769 on his or her own personal income tax return, paying taxes of $80,769. Because Trust T withheld $269,231 to pay its taxes and B paid $80,769 taxes of its own, B bore the entire $350,000 tax burden on the $1 million of entity taxable income, including the $500,000 that the entity retained that presumably increased the value of the trust's investment entity.

If a trustee determines that it is appropriate to so, it should consider exercising the discretion granted in UPIA section 506 to adjust between income and principal. Alternatively, the trustee may exercise the power to adjust under UPIA section 104 to the extent it is available and appropriate under the circumstances, including whether a future distribution from the entity that would be allocated to principal should be reallocated to income because the income beneficiary already bore the burden of taxes on the reinvested income. In exercising the power, the trust should consider the impact that future distributions will have on any current adjustments.

MARY ANN TORRENCE, ATTORNEY
REVISOR OF STATUTES
JAMES A. WILSON III, ATTORNEY
FIRST ASSISTANT REVISOR
GORDON L. SELF, ATTORNEY
FIRST ASSISTANT REVISOR



OFFICE OF REVISOR OF STATUTES
KANSAS LEGISLATURE

Legal Consultation—
Legislative Committees and Legislators
Legislative Bill Drafting
Legislative Committee Staff
Secretary—
Legislative Coordinating Council
Kansas Commission on
Interstate Cooperation
Kansas Statutes Annotated
Editing and Publication
Legislative Information System

Brief on HB 2456
Filing of Decedent's Will and Affidavit

Jason B. Long
Assistant Revisor
Office of Revisor of Statutes

January 27, 2010

For property to pass as provided in a will the will must be filed for probate in district court. Generally, a will must be filed for probate within six months after the death of the decedent. K.S.A. 59-618a allows an individual to preserve the probate process for a will without initiating probate proceedings. Under current law a person may file the will and an affidavit that complies with subsection (b) of K.S.A. 59-618a if the decedent's estate contains no real property and the value of the estate is less than the total of all demands against the estate. If such filing is made within six months after the death of the testator, then the will may be admitted to probate after the six month time period.

HB 2456 amends subsection (a) of K.S.A. 59-618a regarding when a will can be filed pursuant to this section. Under the bill a will and affidavit can be filed if the decedent's *probate* estate contains no *known* real *or personal* property, *or* the value is less than the total of all demands against the estate. Under the proposed amendments a will could be filed even though real property of the estate was discovered after such filing, as long as the individual filing the will did not know that the property was part of the estate. This would also apply to personal property of the probate estate. Also under the bill the requirement that the value of the estate be less than the total demands against the estate would become a separate qualifier rather than an absolute requirement. The bill makes no changes to subsection (b) regarding the requirements of the affidavit itself.

300 SW TENTH AVE - STE 010-E, Statehouse—TOPEKA, KANSAS 6
PHONE (785) 296-2321 FAX (785) 296-6668 E-mail: Revisor'sO

KANSAS JUDICIAL COUNCIL

Kansas Judicial Center
301 S.W. Tenth Street, Suite 140
Topeka, Kansas 66612-1507

Telephone (785) 296-2498
Facsimile (785) 296-1035

judicial.council@ksjc.state.ks.us
www.kansasjudicialcouncil.org

MEMORANDUM

Eric Anderson

TO: **House Judiciary Committee**

FROM: **Kansas Judicial Council**

DATE: **January 27, 2010**

RE: **Judicial Council Testimony on 2010 HB 2456 Amending K.S.A. 59-618a Relating to Filing of Certain Wills**

The current version of K.S.A. 59-618a allows a person to execute an affidavit to file a decedent's Will to preserve its integrity for possible future probate only if the "decedent's estate contains no real property." What happens, then, if a person files an affidavit pursuant to K.S.A. 59-618a stating that there is no real property in the decedent's estate, but then later discovers real property? There are inconsistencies among District Courts in Kansas in the interpretation of this statute. Some courts in Kansas will permit the Will to be probated even if that probate action occurs more than six months after the decedent's date of death. However, there are other Kansas courts that will not permit the Will to be filed to administer the distribution of the newly discovered real property.

By enacting 2010 HB 2456 the following will be accomplished:

1. If there is real and/or personal property in the probate estate with a value in excess of the value of claims under K.S.A. 59-1301, then K.S.A. 59-618a is not available to preserve the Will. The will must be probated, the creditors notified, and the remaining assets are distributed accordingly.

2. If there is real and/or personal property in the probate estate with a value less than the value of claims under K.S.A 59-1301, then the Will can be filed, but no probate administration started. It would then be up to creditors to proceed to open an estate.

House Judiciary
Date 1-27-10
Attachment # 4

This provides the identical outcome as the current situation whereby if there is no real property, but there is personal property having a value less than the value of claims under K.S.A. 59-1301, the Will can be filed of record, but it is up to creditors to open an estate.

3. If there is no real and/or personal property in the probate estate, then by definition the probate estate will be less than the value of all claims under K.S.A. 59-1301. But, on the chance that property – real and/or personal – is found at a later date, the ability to have that property pass in accordance with the terms of the testator's Will is preserved.

The purpose of the proposed changes are to preserve a record of the wishes of the testator by allowing the Will to be filed of record in the county of his or her domicile. The "intent of the testator" is a concept that the courts strive to preserve and enacting this amendment to K.S.A. 59-618a will extend that concept to later discovered real property.

Such a change will not create real property title problems. Generally, if a decedent dies in Kansas, a probate procedure is initiated in the county of the decedent's domicile. If there is real property in a county different from that of the decedent's domicile, an authenticated copy of the probate administration procedures from the domicile county are filed in the second county. In that way, the testator's intent is preserved as to real property located in more than one county. In addition, the proposed legislation has been reviewed and approved by representatives of the K.B.A. Title Standards Committee.

Creditors be not be prejudiced in any way by filing the Will under K.S.A. 59-618a and potentially not probating it until a later date. There is no change being proposed to the concept that creditors have six months from the date of death to initiate a probate procedure if a creditor believes there is property in the probate estate to satisfy a debt owed to a creditor.

Given the proliferation of Revocable Living Trusts and the good faith attempts to title property in trusts – both real and personal – the ability to preserve the will, in case any such property is missed, is an extremely important "insurance policy" to preserve the intent of the testator on the chance a tract of real property was missed in the trust funding process. The proposed changes will solve this problem without any adverse consequences.