CERTIFICATION OF ENROLLMENT

HOUSE BILL 2379

Chapter 203, Laws of 2006

59th Legislature
2006 Regular Session

NONPROBATE ASSETS

EFFECTIVE DATE: 6/7/06

Passed by the House January 25, 2006
Yeas 98   Nays 0

FRANK CHOPP
Speaker of the House of Representatives

Passed by the Senate March 2, 2006
Yeas 47   Nays 0

BRAD OWEN
President of the Senate

RICHARD NAFZIGER
Chief Clerk

I, Richard Nafziger, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is HOUSE BILL 2379 as passed by the House of Representatives and the Senate on the dates hereon set forth.

RICHARD NAFZIGER
Chief Clerk

FILED
March 24, 2006 - 2:13 p.m.

CHRISTINE GREGOIRE
Governor of the State of Washington

SECRETARY OF STATE
State of Washington
AN ACT Relating to nonprobate assets under will; and amending RCW 11.11.020 and 11.11.040.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

Sec. 1. RCW 11.11.020 and 1998 c 292 s 105 are each amended to read as follows:

(1) Subject to community property rights, upon the death of an owner the owner's interest in any nonprobate asset specifically referred to in the owner's will belongs to the testamentary beneficiary named to receive the nonprobate asset, notwithstanding the rights of any beneficiary designated before the date of the will.

(2) A general residuary gift in an owner's will, or a will making general disposition of all of the owner's property, does not entitle the devisees or legatees to receive nonprobate assets of the owner.

(3) A disposition in a will of the owner's interest in "all nonprobate assets" or of all of a category of nonprobate asset under RCW 11.11.010(7), such as "all of my payable on death bank accounts" or similar language, is deemed to be a disposition of all the nonprobate assets the beneficiaries of which are designated before the date of the will.
(4) If the owner designates a beneficiary for a nonprobate asset after the date of the will, the specific provisions in the will (does) that attempt to control the disposition of that asset do not govern the disposition of that nonprobate asset, even if the subsequent beneficiary designation is later revoked. If the owner revokes the later beneficiary designation, ((the prior will does not govern the disposition of the nonprobate asset)) and there is no other provision controlling the disposition of the asset, the asset shall be treated as any other general asset of the owner's estate, subject to disposition under the other applicable provisions of the will. A beneficiary designation with respect to an asset that renews without the signature of the owner is deemed to have been made on the date on which the account was first opened.

Sec. 2. RCW 11.11.040 and 1998 c 292 s 108 are each amended to read as follows:

In transferring nonprobate assets, a personal representative, a financial institution, or other third party may rely conclusively and entirely upon the form of the nonprobate asset and the terms of the nonprobate asset arrangement in effect on the date of death of the owner, and a personal representative or third party may rely on information provided by a financial institution or other party who has possession or control of a nonprobate asset concerning the form of the nonprobate asset and the terms of the nonprobate asset arrangement in effect on the date of death of the owner, unless the personal representative, financial institution, or other third party has actual knowledge of the existence of a claim by a testamentary beneficiary. A financial institution or other third party is not required to inquire as to either the source or ownership of any nonprobate asset in its possession or under its control, or as to the proposed application of an asset so transferred. A transfer of a nonprobate asset in accordance with this section constitutes a complete release and discharge of the financial institution or other third party from all claims relating to the nonprobate asset, regardless of whether or not the transfer is consistent with the actual ownership of the nonprobate asset.

Passed by the Senate March 2, 2006.
Approved by the Governor March 24, 2006.
Filed in Office of Secretary of State March 24, 2006.