

# SENATE BILL REPORT

## SB 6664

---

---

As Reported By Senate Committee On:  
Judiciary, February 4, 2004

**Title:** An act relating to guardianship bond requirements.

**Brief Description:** Modifying guardianship bonding requirements.

**Sponsors:** Senators Franklin, Stevens, Fairley, Kline, Hargrove, Keiser, Regala, Rasmussen, Fraser, Kohl-Welles, Brown, McAuliffe and Winsley.

**Brief History:**

**Committee Activity:** Judiciary: 2/4/04 [DP].

---

### SENATE COMMITTEE ON JUDICIARY

**Majority Report:** Do pass.

Signed by Senators McCaslin, Chair; Esser, Vice Chair; Brandland, Hargrove, Kline, Roach and Thibaudeau.

**Staff:** Jinnah Rose-McFadden (786-7421)

**Background:** The guardian of an incapacitated person is generally required to take an oath and file a bond, with sureties, under Chapter 11.88 of the Revised Code of Washington. The court determines the amount of the bond, after taking into account the assets and income for which the guardian is taking responsibility. The bond is payable to the state and is for the use of the incapacitated person, should a breach of fiduciary duty occur. The bond may be put in suit against all or any one of the obligors, until the whole penalty is recovered. The court has discretion to either require additional bonds be given, or to waive the bond requirement

Currently, there is no similar bond requirement for funds held in trust under the Uniform Transfers to Minors Act.

**Summary of Bill:** Funds held in all fiduciary and trust accounts must be bonded, unless the funds are held subject to the order of the court. This includes fiduciary accounts under the Uniform Transfers to Minors Act.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** This bill is a response to several recent legal cases where guardians were found to have breached their fiduciary duty to minors. This bill is an attempt to close a loophole in current law, by requiring that all fiduciary and trust accounts be bonded.

**Testimony Against:** None.

**Testified:** PRO: Senator Rosa Franklin, sponsor.