SENATE BILL REPORT
SB 5706

As Reported By Senate Committee On:
Financial Services, Insurance & Housing, February 13, 2003

Title: An act relating to defining security account under the uniform transfer on death security registration act.

Brief Description: Defining security account under the uniform transfer on death security registration act.

Sponsors: Senators Benton and Prentice.

Brief History:
  Committee Activity: Financial Services, Insurance & Housing: 2/13/03 [DP].

SENATE COMMITTEE ON FINANCIAL SERVICES, INSURANCE & HOUSING

Majority Report: Do pass.
   Signed by Senators Benton, Chair; Winsley, Vice Chair; Keiser, Prentice, Reardon, Roach and Zarelli.

Staff: Alison Mendiola-Hamilton (786-7576)

Background: The Uniform Transfer on Death Registration Act is a uniform act adopted by a majority of the states. The primary purpose of the act is to provide for the non-probate transfer of specifically registered securities from the owner to named beneficiaries at the owner's death.

Under current law, securities and brokerage accounts may have beneficiary designations that will take effect upon the death of the owner pursuant to this act.

Investment management or custody accounts must be entered into probate upon the owner's death.

Summary of Bill: The definition of "security account" is expanded to include cash equivalents, and an investment management or custody account with a trust company or a trust division of a bank with trust powers.

Investment management or trust accounts may have a beneficiary designation that will take effect at the owner's death.

Summary of Bill: 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 step forward. It allows Washington to catch up with banking laws. Other states have adopted similar legislation.

Testimony Against: None.

Testified: Steve Gano, Wells Fargo Bank (pro); Denny Eliason, WA Bankers Assn. (pro).