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HOUSE BILL 2379

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State of Washington

59th Legislature

2006 Regular Session

By Representatives Lantz, Serben and Rodne

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Committee on Judiciary.

1 AN ACT Relating to nonprobate assets under will; and amending RCW  
2 11.11.020 and 11.11.040.

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

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

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

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

14 (3) A disposition in a will of the owner's interest in "all  
15 nonprobate assets" or of all of a category of nonprobate asset under  
16 RCW 11.11.010(7), such as "all of my payable on death bank accounts" or  
17 similar language, is deemed to be a disposition of all the nonprobate  
18 assets the beneficiaries of which are designated before the date of the  
19 will.

1 (4) If the owner designates a beneficiary for a nonprobate asset  
2 after the date of the will, the specific provisions in the will  
3 ~~((does))~~ that attempt to control the disposition of that asset do not  
4 govern the disposition of that nonprobate asset, even if the subsequent  
5 beneficiary designation is later revoked. If the owner revokes the  
6 later beneficiary designation, ~~((the prior will does not govern the~~  
7 ~~disposition of the nonprobate asset))~~ and there is no other provision  
8 controlling the disposition of the asset, the asset shall be treated as  
9 any other general asset of the owner's estate, subject to disposition  
10 under the other applicable provisions of the will. A beneficiary  
11 designation with respect to an asset that renews without the signature  
12 of the owner is deemed to have been made on the date on which the  
13 account was first opened.

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

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

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