

CHAPTER 87.

[Senate Bill No. 466.]

COURT COMMISSIONERS.

AN ACT relating to courts of record; providing for the appointment of court commissioners and referees; and amending section 1, chapter 124, Laws of 1909 as amended by section 1, chapter 42, Laws of 1961 and RCW 2.24.010.

Be it enacted by the Legislature of the State of Washington:

RCW 2.24.010 amended.

Section 1. Section 1, chapter 124, Laws of 1909 as amended by section 1, chapter 42, Laws of 1961 and RCW 2.24.010 are each amended to read as follows:

Court commissioners.

There may be appointed in each county or judicial district, by the judges of the superior court having jurisdiction therein, a court commissioner for said county or judicial district. Such commissioner shall be a citizen of the United States and an elector of the county or judicial district in which he may be appointed, and shall hold his office during the pleasure of the judges appointing him.

Passed the Senate April 4, 1967.

Passed the House April 20, 1967.

Approved by the Governor April 28, 1967.

CHAPTER 88.

[Reengrossed Senate Bill No. 338.]

GIFTS TO MINORS.

AN ACT relating to gifts to minors and to make uniform the law in reference thereto; amending section 1, chapter 202, Laws of 1959 and RCW 21.24.010; amending section 2, chapter 202, Laws of 1959 and RCW 21.24.020; amending section 3, chapter 202, Laws of 1959 and RCW 21.24.030; amending section 4, chapter 202, Laws of 1959 and RCW 21.24.040; amending section 6, chapter 202, Laws of 1959 and RCW 21.24.060; amending section 7, chapter 202, Laws of 1959 and RCW 21.24.070; adding twelve new sections to chapter 21.24 RCW; and providing an effective date.

Be it enacted by the Legislature of the State of Washington:

Section 1. Section 1, chapter 202, Laws of 1959 and RCW 21.24.010 are each amended to read as follows:

RCW 21.24.010 amended.

In this chapter, unless the context otherwise requires: (1) An "adult" is a person who has attained the age of twenty-one years.

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(2) A "bank" is a bank, trust company, national banking association, or mutual savings bank.

(3) A "broker" is a person lawfully engaged in the business of effecting transactions in securities for the account of others. The term includes a bank which effects such transactions. The term also includes a person lawfully engaged in buying and selling securities for his own account, through a broker or otherwise, as a part of a regular business.

(4) "Court" means the superior courts of the state of Washington.

(5) The "custodial property" includes: (a) All securities, life insurance policies, annuity contracts and money under the supervision of the same custodian for the same minor as a consequence of a gift or gifts made to the minor in a manner prescribed in this chapter.

(b) the income from the custodial property; and

(c) the proceeds, immediate and remote, from the sale, exchange, conversion, investment, reinvestment, surrender or other disposition of such securities, money, life insurance policies, annuity contracts and income.

(6) A "custodian" is a person so designated in a manner prescribed in this chapter; the term includes a successor custodian.

(7) A "financial institution" is a bank, a federal savings and loan association, a savings institution chartered and supervised as a savings and loan or

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similar institution under federal law or the laws of a state or a federal credit union or a credit union chartered and supervised under the laws of a state; an "insured financial institution" is one, deposits (including a savings, share, certificate or deposit account) in which are, in whole or in part, insured by the federal deposit insurance corporation, or by the federal savings and loan insurance corporation, or by a deposit insurance fund approved by this state.

(8) A "guardian" of a minor means the general guardian, guardian, tutor or curator of his property, or estate appointed or qualified by a court of this state or another state.

(9) An "issuer" is a person who places or authorizes the placing of his name on a security (other than as a transfer agent) to evidence that it represents a share, participation or other interest in his property or in an enterprise or to evidence his duty or undertaking to perform an obligation evidenced by the security, or who becomes responsible for or in place of any such person.

(10) A "legal representative" of a person is his executor or the administrator, general guardian, guardian, committee, conservator, tutor or curator of his property or estate.

(11) A "life insurance policy or annuity contract" means a life insurance policy or annuity contract issued by an insurance company authorized to do business in this state on the life of a minor to whom a gift of the policy or contract is made in the manner prescribed in this chapter or on the life of a member of the minor's family.

(12) A "member" of a "minor's family" means any of the minor's parents, grandparents, brothers, sisters, uncles and aunts, whether of the whole blood or the half blood, or by or through legal adoption.

(13) A "minor" is a person who has not attained the age of twenty-one years.

(14) A "security" includes any note, stock, treasury stock, bond, debenture, evidence of indebtedness, certificate of interest or participation in an oil, gas or mining title or lease or in payments out of production under such a title or lease, collateral trust certificate, transferable share, voting trust certificate, or, in general, any interest or instrument commonly known as a security, or any certificate of interest or participation in, any temporary or interim certificate, receipt or certificate of deposit for, or any warrant or right to subscribe to or purchase, any of the foregoing. The term does not include a security of which the donor is the issuer. A security is in "registered form" when it specifies a person entitled to it or to the rights it evidences and its transfer may be registered upon books maintained for that purpose by or on behalf of the issuer.

(15) A "transfer agent" is a person who acts as authenticating trustee, transfer agent, registrar or other agent for an issuer in the registration of transfers of its securities or in the issue of new securities or in the cancellation of surrendered securities.

(16) A "trust company" is a bank authorized to exercise trust powers.

Sec. 2. Section 2, chapter 202, Laws of 1959 and RCW 21.24.020 are each amended to read as follows: RCW 21.24.020 amended.

(1) An adult person may, during his lifetime, or by testamentary disposition, make a gift of a security, a life insurance policy or annuity contract or money to a person who is a minor on the date of the gift: (a) If the subject of the gift is a security in registered form, by registering it in the name of the donor, another adult person or a trust company, followed, in substance, by the words: "As custodian Manner of making gift.

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for (name of minor) under the Washington uniform gifts to minors act”;

(b) if the subject of the gift is a security not in registered form, by delivering it to an adult other than the donor or a trust company accompanied by a statement of gift in the following form, in substance, signed by the donor and the person designated as custodian:

“GIFT UNDER THE WASHINGTON UNIFORM GIFTS TO MINORS ACT

I, (name of donor), hereby deliver to (name of custodian) as custodian for (name of minor) under the Washington uniform gifts to minors act, the following security (ies): (Insert an appropriate description of the security or securities delivered sufficient to identify it or them)

..... (signature of donor) (name of custodian) hereby acknowledges receipt of the above described security (ies) as custodian for the above minor under the Washington uniform gifts to minors act.

Dated: (signature of custodian)”

(c) if the subject of the gift is money, by paying or delivering it to a broker or a financial institution for credit to an account in the name of the donor, another adult or a trust company, followed, in substance, by the words: “As custodian for (name of minor) under the Washington uniform gifts to minors act.”

(d) if the subject of the gift is a life insurance policy or annuity contract, by causing the ownership of the policy or contract to be registered with the issuing insurance company in the name of the donor, another adult or a trust company, followed, in substance, by the words: “as custodian for (name of minor) under the Washington uniform gifts to minors act”.

(2) Any gift made in a manner prescribed in subsection (1) may be made to only one minor and only one person may be the custodian.

(3) A donor who makes a gift to a minor in a manner prescribed in subsection (1) shall promptly do all things within his power to put the subject of the gift in the possession and control of the custodian, but neither the donor's failure to comply with this subsection, nor his designation of an ineligible person as custodian, nor renunciation by the person designated as custodian affects the consummation of the gift.

Sec. 3. Section 3, chapter 202, Laws of 1959 and RCW 21.24.030 are each amended to read as follows: RCW 21.24.030 amended.

(1) A gift made in a manner prescribed in this chapter is irrevocable and conveys to the minor indefeasibly vested legal title to the security, life insurance policy, annuity contract or money given, but no guardian of the minor has any right, power, duty or authority with respect to the custodial property except as provided in this chapter. Effect of gift.

(2) By making a gift in a manner prescribed in this chapter, the donor incorporates in his gift all the provisions of this chapter and grants to the custodian, and to any issuer, transfer agent, bank, financial institution, life insurance company, broker or third person dealing with a person designated as custodian, the respective powers, rights and immunities provided in this chapter.

Sec. 4. Section 4, chapter 202, Laws of 1959 and RCW 21.24.040 are each amended to read as follows: RCW 21.24.040 amended.

(1) The custodian shall collect, hold, manage, invest and reinvest the custodial property. Duties and powers of custodian.

(2) The custodian shall pay over to the minor for expenditure by him, or expend for the minor's benefit, so much of or all the custodial property as the custodian deems advisable for the support,

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maintenance, education and benefit of the minor in the manner, at the time or times, and to the extent that the custodian in his discretion deems suitable and proper, with or without court order, with or without regard to the duty of himself or of any other person to support the minor or his ability to do so, and with or without regard to any other income or property of the minor which may be applicable or available for any such purpose.

(3) The court, on the petition of a parent or guardian of the minor or of the minor, if he has attained the age of fourteen years, may order the custodian to pay over to the minor for expenditure by him or to expend so much of or all the custodial property as is necessary for the minor's support, maintenance or education.

(4) To the extent that the custodial property is not so expended, the custodian shall deliver or pay it over to the minor on his attaining the age of twenty-one years, or, if the minor dies before attaining the age of twenty-one years, he shall thereupon deliver or pay it over to the estate of the minor.

(5) The custodian, notwithstanding statutes restricting investments by fiduciaries, shall invest and reinvest the custodial property as would a prudent man of discretion and intelligence who is seeking a reasonable income and the preservation of his capital, except that he may, in his discretion and without liability to the minor or his estate, retain a security given to the minor in a manner prescribed in this chapter or hold money so given in an account in a financial institution to which it was paid or delivered by the donor.

(6) The custodian may sell, exchange, convert, surrender or otherwise dispose of custodial property in the manner, at the time or times, for the price or prices and upon the terms he deems advisable. He

may vote in person or by general or limited proxy a security which is custodial property. He may consent, directly or through a committee or other agent, to the reorganization, consolidation, merger, dissolution or liquidation of an issuer, a security which is custodial property, and to the sale, lease, pledge or mortgage of any property by or to such an issuer, and to any other action by such an issuer. He may execute and deliver any and all instruments in writing which he deems advisable to carry out any of his powers as custodian.

(7) The custodian shall register each security which is custodial property and in registered form in the name of the custodian, followed, in substance, by the words: "as custodian for (name of minor) under the Washington uniform gifts to minors act". The custodian shall hold all money which is custodial property in an account with a broker or in an insured financial institution in the name of the custodian, followed, in substance, by the words: "as custodian for (name of minor) under the Washington uniform gifts to minors act". The custodian shall keep all other custodial property separate and distinct from his own property in a manner to identify it clearly as custodial property.

(8) The custodian shall keep records of all transactions with respect to the custodial property and make them available for inspection at reasonable intervals by a parent or legal representative of the minor or by the minor, if he has attained the age of fourteen years.

(9) A custodian has, with respect to the custodial property, in addition to the rights and powers provided in this chapter, all the rights and powers which a guardian has with respect to property not held as custodial property.

(10) If the subject of the gift is a life insurance policy or annuity contract, the custodian:

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(a) in his capacity as custodian, has all the incidents of ownership in the policy or contract to the same extent as if he were the owner, except that the designated beneficiary of any policy or contract on the life of the minor shall be the minor's estate and the designated beneficiary of any policy or contract on the life of a person other than the minor shall be the custodian as custodian for the minor for whom he is acting; and

(b) may pay premiums on the policy or contract out of the custodial property.

RCW 21.24.060
amended.

Sec. 5. Section 6, chapter 202, Laws of 1959 and RCW 21.24.060 are each amended to read as follows:

Exemption of
third persons
from liability.

No issuer, transfer agent, bank, life insurance company, broker or other person or financial institution acting on the instructions of or otherwise dealing with any person purporting to act as a donor or in the capacity of a custodian is responsible for determining whether the person designated as custodian by the purported donor or by the custodian or purporting to act as a custodian has been duly designated or whether any purchase, sale or transfer to or by or any other act of any person purporting to act in the capacity of custodian is in accordance with or authorized by this chapter, or is obliged to inquire into the validity or propriety under this chapter of any instrument of instructions executed or given by a person purporting to act as a donor or in the capacity of a custodian, or is bound to see to the application by any person purporting to act in the capacity of a custodian of any money or other property paid or delivered to him. No issuer, transfer agent, bank, life insurance company, broker or other person or financial institution acting on any instrument of designation of a successor custodian, executed as provided in subsection (1) of RCW 21.24.070, as now or hereafter amended, by a minor to whom a gift has been made in a manner

prescribed in this chapter, and who has attained the age of fourteen years, is responsible for determining whether the person designated by the minor as successor custodian has been duly designated, or is obliged to inquire into the validity or propriety under this chapter of the instrument of designation.

Sec. 6. Section 7, chapter 202, Laws of 1959 and RCW 21.24.070 are each amended to read as follows:

RCW 21.24.070 amended.

(1) Only an adult member of the minor's family, a guardian of the minor or a trust company is eligible to become successor custodian. A custodian may designate his successor by executing and dating an instrument of designation before a subscribing witness other than the successor; the instrument of designation may but need not contain the resignation of the custodian. If the custodian does not so designate his successor before he dies or becomes legally incapacitated, and the minor has attained the age of fourteen years, the minor may designate a successor custodian by executing an instrument of designation before a subscribing witness other than the successor. A successor custodian has all the rights, powers, duties and immunities of a custodian designated in a manner prescribed by this chapter.

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(2) The designation of a successor custodian as provided in subsection (1) takes effect as to each item of the custodial property when the custodian resigns, dies or becomes legally incapacitated and the custodian or his legal representative:

(a) causes the item if it is a security in registered form or a life insurance policy or annuity contract, to be registered, with the issuing insurance company in the case of a life insurance policy or annuity contract, in the name of the successor custodian followed, in substance, by the words: "as custodian for (name of minor) under the Washington uniform gifts to minors act"; and

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(b) delivers or causes to be delivered to the successor custodian any other item of the custodial property, together with the instrument of designation of the successor custodian or a true copy thereof and any additional instruments required for the transfer thereof to the successor custodian.

(3) A custodian who executes an instrument of designation of his successor containing the custodian's resignation as provided in subsection (1) shall promptly do all things within his power to put each item of the custodial property in the possession and control of the successor custodian named in the instrument. The legal representative of a custodian who dies or becomes legally incapacitated shall promptly do all things within his power to put each item of the custodial property in the possession and control of the successor custodian named in an instrument of designation executed as provided in subsection (1) by the custodian or, if none, by the minor if he has no guardian and has attained the age of fourteen years, or in the possession and control of the guardian of the minor if he has a guardian. If the custodian has executed as provided in subsection (1) more than one instrument of designation, his legal representative shall treat the instrument dated on an earlier date as having been revoked by the instrument dated on a later date.

(4) If a person designated as custodian or as successor custodian by the custodian as provided in subsection (1) is not eligible, dies or becomes legally incapacitated before the minor attains the age of twenty-one years and if the minor has a guardian, the guardian of the minor shall be successor custodian. If the minor has no guardian and if no successor custodian who is eligible and has not died or become legally incapacitated has been designated as provided in subsection (1), a donor, his legal representative, the legal representative of

the custodian or an adult member of the minor's family may petition the court for the designation of a successor custodian.

(5) A donor, the legal representative of a donor, a successor custodian, an adult member of the minor's family, a guardian of the minor or the minor, if he has attained the age of fourteen years, may petition the court that, for cause shown in the petition, the custodian be removed and a successor custodian be designated or, in the alternative, that the custodian be required to give bond for the performance of his duties.

(6) Upon the filing of a petition as provided in this section, the court shall grant an order, directed to the persons and returnable on such notice as the court may require, to show cause why the relief prayed for in the petition should not be granted and, in due course, grant such relief as the court finds to be in the best interests of the minor.

Sec. 7. The provisions of chapter 202, Laws of 1959 hereby amended as hereby amended shall be construed as a continuation of chapter 202, Laws of 1959 hereby amended according to the language employed and not as a new enactment. This amendment of chapter 202, Laws of 1959 hereby amended does not affect gifts made in a manner prescribed therein nor the powers, duties or immunities conferred by gifts in such manner upon custodians and persons dealing with custodians. The provisions of chapter 202, Laws of 1959 hereby amended as hereby amended henceforth apply, however, to all gifts made in a manner and form prescribed in chapter 202, Laws of 1959 hereby amended except insofar as such application impairs constitutionally vested rights. Construction.

Sec. 8. In this chapter, unless the context otherwise requires:

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Definitions.

(1) An "adult" is a person who has attained the age of twenty-one years.

(2) A "bank" is a bank, trust company, savings and loan association, national banking association, or mutual savings bank.

(3) A "broker" is a person lawfully engaged in the business of effecting transactions in real property for the account of others who is licensed to do business under the laws of this state. The term includes a bank which effects or participates in effecting such transactions.

(4) "Court" means the superior courts of the state of Washington.

(5) "The custodial property" includes:

(a) All real property interests and all rents, royalties and income therefrom under the supervision of the same custodian for the same minor as a consequence of a gift or gifts made to the minor in a manner prescribed in this chapter.

(b) The income from the custodial property; and

(c) The proceeds, immediate and remote, from the sale, exchange, conversion, investment, reinvestment or other disposition of such money and income.

(6) A "custodian" is a person so designated in a manner prescribed in this chapter.

(7) A "guardian" of a minor includes the general guardian, guardian or curator of his property, estate or person.

(8) An "issuer" is a person who places or authorizes the placing of his name on real property interest other than as a transfer agent, to evidence that it represents an interest in his property or to evidence his duty or undertaking to perform an obligation evidenced by the real property interest, or who becomes responsible for or in place of any such person.

(9) A "legal representative" of a person is his executor or the administrator, general guardian, guardian, conservator or curator of his property or estate.

(10) A "member" of a "minor's family" means any of the minor's parents, grandparents, brothers, sisters, uncles and aunts, whether of the whole blood or the half blood, or by or through legal adoption.

(11) A "minor" is a person who has not attained the age of twenty-one years.

(12) A "real property interest" includes any note, mortgage, contract to purchase or to sell real property, option to purchase or to sell real property, deed evidencing any title to or interest in real property, or, in general, any interest or instrument commonly recognized as evidencing or purporting to evidence an interest in real property, however minimal. The term does not include a "security" within the definition of RCW 21.24.010 (12) as now or hereafter amended.

(13) A "transfer agent" is a person who acts as authenticating trustee, transfer agent or real estate broker or salesman as defined in RCW 18.85.010 as now or hereafter amended.

(14) A "trust company" is a bank authorized to exercise trust powers.

Sec. 9. (1) An adult person may, during his lifetime, make a gift of a real property interest to a person who is a minor on the date of the gift if the subject of the gift is a real property interest which constitutes a recordable interest or charge in or against real property in the records of the county auditor, by registering it in the name of the donor, another adult person or a trust company, followed, in substance, by the words: "As custodian for (name of minor) under the 1967 Washington gifts of realty to minors act".

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(2) Any gift made in a manner prescribed in subsection (1) of this section may be made to only one minor and only one person may be the custodian.

(3) A donor who makes a gift to a minor in the manner prescribed in subsection (1) of this section shall promptly do all things within his power to put the subject of the gift in the possession and control of the custodian.

(4) The donor may not under this chapter make gifts of custodial property when, added to gifts permitted under chapter 21.24 RCW as now or hereafter amended, such property (a) exceeds three thousand dollars in aggregate value to any one minor in any one year, or (b) exceeds thirty thousand dollars in aggregate value to any one minor. Value shall be computed on the basis of the actual value of each unit of property on the date the gift became effective.

Effect of gift.

Sec. 10. (1) A gift made in a manner prescribed in this chapter is irrevocable and conveys to the minor indefeasibly vested legal title to the real property interest given, but no guardian of the minor has any right, power, duty or authority with respect to the custodial property except as provided in this chapter.

(2) By making a gift in a manner prescribed in this chapter, the donor incorporates in his gift all the provisions of this chapter and grants to the custodian, and to any issuer, transfer agent, bank, broker or third person dealing with a person designated as custodian, the respective powers, rights and immunities provided in this chapter.

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Sec. 11. (1) The custodian shall collect, hold, manage, invest and reinvest the custodial property and all rents, royalties and income received

therefrom for the best interest of the minor and according to the provisions of this chapter.

(2) The custodian may expend for the benefit of a minor, or pay over to the minor if he is eighteen years old or more for expenditure by him, such monthly amounts as may be reasonably necessary for the minor's actual living expenses including maintenance, schooling and medical or dental expense, with or without court order, with or without regard to the duty of himself or of any other person to support the minor or his ability to do so, and with or without regard to any other income or property of the minor which may be applicable or available for any such purpose.

(3) The court, on the petition of a parent or guardian of the minor or of the minor, if he has attained the age of fourteen years, may order the custodian to pay over to the minor for expenditure by him or to expend so much of or all the custodial property as is necessary for the minor's support, maintenance or education.

(4) To the extent that the custodial property is not so expended, the custodian shall deliver or pay it over to the minor on his attaining the age of twenty-one years, or, if the minor dies before attaining the age of twenty-one years, he shall thereupon deliver or pay it over to the estate of the minor.

(5) The custodian, notwithstanding statutes restricting investments by fiduciaries, shall invest and reinvest the custodial property as would a prudent man of discretion and intelligence who is seeking a reasonable income and the preservation of his capital, except that he may, in his discretion and without liability to the minor or his estate, purchase or retain a real property interest given to the minor in a manner prescribed in this chapter.

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(6) The custodian may grant, sell, convey, lease, demise, exchange, convert or otherwise dispose of custodial property as would a prudent man of discretion and intelligence. He may consent, directly or through a committee or other agent, to the sale, lease, pledge or mortgage of any property by or to any broker, agent, or trust company, and to any other action by any broker, agent, or trust company. He may execute and deliver any and all instruments in writing which he deems advisable to carry out any of his powers as custodian.

(7) The custodian shall record each real property interest which is custodial property in the name of the custodian, followed, in substance, by the words: "As custodian for (name of minor) under the 1967 Washington gifts of realty to minors act". The custodian shall hold all money received in rents, royalties and other income from the custodial property in an account with a bank in the name of the custodian, followed, in substance, by the words: "As custodian for (name of minor) under the 1967 Washington gifts of realty to minors act". The custodian shall keep all other custodial property separate and distinct from his own property in a manner to identify it clearly as custodial property; and shall further, except as provided in section 9 of this chapter, maintain all property and funds held pursuant to this chapter segregated from securities and money held under chapter 21.24 RCW.

(8) The custodian shall keep records of all transactions with respect to the custodial property and make them available for inspection at reasonable intervals by a parent or legal representative of the minor or by the minor, if he has attained the age of fourteen years.

(9) A custodian has, with respect to the custodial property, in addition to the rights and powers provided in this chapter, all the rights and

powers which a guardian has with respect to property not held as custodial property.

Sec. 12. (1) A custodian is entitled to reimbursement from the custodial property for his reasonable expenses incurred in the performance of his duties.

Custodian's expenses, compensation, bond and liability.

(2) A custodian may act without compensation for his services.

(3) Unless he is a donor, a custodian may receive from the custodial property reasonable compensation for his services determined by one of the following standards in the order stated:

(a) A direction by the donor when the gift is made;

(b) An order of the court.

(4) Except as otherwise provided in this chapter, a custodian shall not be required to give a bond for the performance of his duties.

(5) A custodian not compensated for his services is not liable for losses to the custodial property unless they result from his bad faith, intentional wrongdoing or gross negligence or from his failure to maintain the standard of prudence in investing the custodial property provided in this chapter.

Sec. 13. Although this section does not exempt from liability any third persons who would otherwise be liable for honoring a forged signature, no transfer agent, bank, broker or other person acting on the instructions of or otherwise dealing with any person purporting to act as a donor or in the capacity of a custodian is responsible for determining whether the person designated by the purported donor or purporting to act as a custodian has been duly designated or whether any purchase, sale, incumbrance, or transfer to or by or any other act of any person purporting to act in the capacity of custodian is in accordance with or authorized by this chapter, or is obliged to inquire into the validity

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or propriety under this chapter of any instrument of instructions executed or given by a person purporting to act as a donor or in the capacity of a custodian, or is bound to see to the application by any person purporting to act in the capacity of a custodian of any money or other property paid or delivered to him.

Resignation, death or removal of custodian—Bond—Appointment of successor custodian.

Sec. 14. (1) Only an adult member of the minor's family, a guardian of the minor or a trust company is eligible to become a successor custodian. A successor custodian has all the rights, powers, duties and immunities of a custodian designated in a manner prescribed by this chapter.

(2) A custodian, other than the donor, may resign and designate his successor by:

(a) Executing an instrument of resignation designating the successor custodian; and

(b) Causing each real property interest which is custodial property to be registered and recorded in the name of the successor custodian followed, in substance, by the words: "As custodian for (name of minor) under the 1967 Washington gifts of realty to minors act"; and

(c) Delivering to the successor custodian a duly acknowledged instrument of resignation, each real property interest recorded in the name of the successor custodian and all other custodial property, together with any additional instruments required for the transfer thereof.

(3) A custodian, whether or not a donor, may petition the court for permission to resign and for the designation of a successor custodian.

(4) If the person designated as custodian is not eligible, renounces or dies before the minor attains the age of twenty-one years, the guardian of the estate of the minor shall be successor custodian. If the minor has no guardian of his estate, a donor, his

legal representative, the legal representative of the custodian, an adult member of the minor's family, or the minor, if he has attained the age of fourteen years, may petition the court for the designation of a successor custodian.

(5) A donor, the legal representative of a donor, an adult member of the minor's family, a guardian of the minor or the minor, if he has attained the age of fourteen years, may petition the court that, for cause shown in the petition, the custodian be removed and a successor custodian be designated or, in the alternative, that the custodian be required to give bond for the performance of his duties.

(6) Upon the filing of a petition as provided in this section, the court shall grant an order, directed to the persons and returnable on such notice as the court may require, to show cause why the relief prayed for in the petition should not be granted and, in due course, grant such relief as the court finds to be in the best interests of the minor.

Sec. 15. (1) The minor, if he has attained the age of fourteen years, or the legal representative of the minor, an adult member of the minor's family, or a donor or his legal representative may petition the court for an accounting by the custodian or his legal representative.

Accounting by
custodian.

(2) The court, in a proceeding under this chapter or otherwise, may require or permit the custodian or his legal representative to account and, if the custodian is removed, shall so require and order delivery of all custodial property to the successor custodian and the execution of all instruments required for the transfer thereof.

Sec. 16. A custodian may, at any time, transfer the proceeds of any rental, royalty or other income, or the corpus or any part thereof, held in money or in liquid form, under the provisions of this chapter,

Exchange of
realty for
other prop-
erty.

Gifts of realty to minors. into an account qualifying under chapter 21.24 RCW, to the extent that such transfer constitutes a prudent transaction within the application and rules of chapter 21.24 RCW.

Construction. Sec. 17. (1) This chapter shall not be construed as providing an exclusive method for making gifts to minors.

(2) This chapter shall not repeal, amend, or modify the provisions of chapter 21.24 RCW, but shall be held to be an additional, concurrent, or alternative method of providing for gifts to minors.

Short title. Sec. 18. This chapter may be cited as the "1967 Washington gifts of realty to minors act".

Severability. Sec. 19. If any provision of this chapter, or its application to any person or circumstance is held invalid, the remainder of the act, or the application of the provisions to other persons or circumstances is not affected.

Effective date. Sec. 20. The effective date of this 1967 amendatory act is July 1, 1967.

Passed the Senate April 19, 1967.

Passed the House April 18, 1967.

Approved by the Governor April 28, 1967.

CHAPTER 89.

[Engrossed Senate Bill No. 254.]

TAXATION—CREDITS—RECORDS.

AN ACT relating to revenue and taxation; amending section 26, chapter 173, Laws of 1965 extraordinary session and RCW 82.04.435; amending section 82.32.070, chapter 15, Laws of 1961 and RCW 82.32.070; amending section 82.32.210, chapter 15, Laws of 1961 and RCW 82.32.210; amending section 82.32.340, chapter 15, Laws of 1961 as amended by section 7, chapter 141, Laws of 1965 extraordinary session