CHAPTER 72

[House Bill No. 1686] QUASI-COMMUNITY PROPERTY

AN ACT Relating to quasi-community property; and adding new sections to chapter 26-.16 RCW.

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

<u>NEW SECTION.</u> Sec. 1. (1) Unless the context clearly requires otherwise, as used in sections 1 through 4 of this act "quasi-community property" means all personal property wherever situated and all real property situated in this state that is not community property and that was acquired:

- (a) By the decedent while domiciled elsewhere and that would have been the community property of the decedent and of the decedent's surviving spouse had the decedent been domiciled in this state at the time of its acquisition; or
- (b) In derivation or in exchange for real or personal property, wherever situated, that would have been the community property of the decedent and the surviving spouse if the decedent had been domiciled in this state at the time the original property was acquired.
- (2) For purposes of this section, leasehold interests in real property are real property.

NEW SECTION. Sec. 2. Upon the death of any person domiciled in this state, one-half of the decedent's quasi-community property shall belong to the decedent's surviving spouse and the other one-half of such property shall be subject to testamentary disposition by the decedent, and in the absence thereof, shall descend in the manner provided for community property under chapter 11.04 RCW.

NEW SECTION. Sec. 3. (1) If a decedent domiciled in this state on the date of his or her death made a lifetime transfer of quasi-community property to a person other than the surviving spouse within three years of death, without adequate consideration and without the consent of the surviving spouse, then within the time for filing claims against the estate as provided by RCW 11.40.010, the surviving spouse may require the transferce to restore to the decedent's estate one-half of such property, if the transferce retains the property, and, if not, one-half of its proceeds, or, if none, one-half of its value at the time of transfer, if:

- (a) The decedent retained, at the time of death, the possession or enjoyment of or the right to income from the property;
- (b) The decedent retained, at the time of death, a power, either alone or in conjunction with any other person, to revoke or to consume, invade or dispose of the principal for the decedent's own benefit; or

(c) The decedent held the property at the time of death with another with the right of survivorship.

Notwithstanding subsection (1) (a), (b), and (c) of this section, a transferee who purchases property or an interest in property from a decedent for value while believing in good faith that such property is the separate property of the decedent and does not constitute quasi-community property shall not be required to restore property, proceeds, or value to the decedent's estate under this provision.

- (2) All property restored to the decedent's estate under this section shall belong to the surviving spouse pursuant to section 2 of this act as though the transfer had never been made.
- (3) The surviving spouse may waive any right granted hereunder by written instrument filed in the probate proceedings. If the surviving spouse acts as personal representative of the decedent's estate and causes the estate to be closed before the time for exercising any right granted by this section expires, such closure shall act as a waiver by the surviving spouse of any and all rights granted by this section.

NEW SECTION. Sec. 4. The characterization of property as quasi-community property under this chapter shall be effective solely for the purpose of determining the disposition of such property at the time of a death, and such characterization shall not affect the rights of the decedent's creditors. For all other purposes property characterized as quasi-community property under this chapter shall be characterized without regard to the provisions of this chapter. A husband and wife may waive, modify, or relinquish any quasi-community property right granted or created by this chapter by signed written agreement.

NEW SECTION. Sec. 5. Sections 1 through 4 of this act are each added to chapter 26.16 RCW.

Passed the House February 16, 1986.

Passed the Senate March 3, 1986.

Approved by the Governor March 12, 1986.

Filed in Office of Secretary of State March 12, 1986.

CHAPTER 73

[Substitute House Bill No. 1831]
TEACHER EVALUATION STANDARDS AND MODELS

AN ACT Relating to the study of teacher evaluation standards and models; and amending RCW 28A.67.225.

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

Sec. 1. Section 7, chapter 420, Laws of 1985 and RCW 28A.67.225 are each amended to read as follows: