

CHAPTER 34

[Senate Bill No. 6113]

QUASI-COMMUNITY PROPERTY

AN ACT Relating to quasi-community property; amending RCW 26.16.220, 26.16.230, 26.16.240, and 26.16.250; and declaring an emergency.

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

Sec. 1. Section 1, chapter 72, Laws of 1986 and RCW 26.16.220 are each amended to read as follows:

(1) Unless the context clearly requires otherwise, as used in RCW 26.16.220 through 26.16.250 "quasi-community property" means all personal property wherever situated and all real property ((situated in this state)) described in subsection (2) of this section that is not community property and that was heretofore or hereafter 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 includes:

(a) Real property situated in this state;

(b) Real property situated outside this state if the law of the state where the real property is located provides that the law of the decedent's domicile at death shall govern the rights of the decedent's surviving spouse to a share of such property; and

(c) Leasehold interests in real property described in (a) or (b) of this subsection.

(3) For purposes of this section, all legal presumptions and principles applicable to the proper characterization of property as community property under the laws and decisions of this state shall apply in determining whether property would have been the community property of the decedent and the surviving spouse under the provisions of subsection (1) of this section.

Sec. 2. Section 2, chapter 72, Laws of 1986 and RCW 26.16.230 are each amended to read as follows:

Upon the death of any person domiciled in this state, one-half of ((the decedent's)) any 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 at death by the decedent, and in the

absence thereof, shall descend in the manner provided for community property under chapter 11.04 RCW.

Sec. 3. Section 3, chapter 72, Laws of 1986 and RCW 26.16.240 are each amended to read as follows:

(1) If a decedent domiciled in this state on the date of his or her death made a lifetime transfer of a property interest that is 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 transferee to restore to the decedent's estate one-half of such property interest, if the transferee retains the property interest, 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 interest;

(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))~~ property interest for the decedent's own benefit; or

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

(2) Notwithstanding subsection (1) ~~((a), (b), and (c))~~ of this section, ~~((a))~~ no such property interest, proceeds, or value may be required to be restored to the decedent's estate if:

(a) Such property interest was transferred for adequate consideration;

(b) Such property interest was transferred with the consent of the surviving spouse; or

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

~~((2))~~ (3) All property interests, proceeds, or value restored to the decedent's estate under this section shall belong to the surviving spouse pursuant to RCW 26.16.230 as though the transfer had never been made.

~~((3))~~ (4) 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.

Sec. 4. Section 4, chapter 72, Laws of 1986 and RCW 26.16.250 are each amended to read as follows:

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, wherever executed, before or after June 11, 1986, including without limitation, community property agreements, prenuptial and postnuptial agreements, or agreements as to status of property.

NEW SECTION. Sec. 5. This act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state government and its existing public institutions, and shall take effect immediately.

Passed the Senate January 27, 1988.

Passed the House February 26, 1988.

Approved by the Governor March 11, 1988.

Filed in Office of Secretary of State March 11, 1988.

CHAPTER 35

[Substitute Senate Bill No. 6290]

WASHINGTON AMBASSADOR PROGRAM

AN ACT Relating to the Washington ambassador program; amending RCW 43.31.373, 43.31.377, 43.31.379, 43.31.381, 43.131.315, and 43.131.316; and repealing RCW 43.31.389.

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

Sec. 1. Section 1, chapter 175, Laws of 1984 as amended by section 24, chapter 466, Laws of 1985 and RCW 43.31.373 are each amended to read as follows:

The Washington state legislature finds that there are various nations, and states within this country, that may not be fully aware of the competitive products and services, and opportunities for investment, available in the state of Washington. The legislature further finds that the cost to the state of maintaining numerous offices and employees ((abroad)) outside this state to promote the products, services, and investment opportunities available in this state may be prohibitive. The legislature finds that there are numerous opportunities within the state, domestically and internationally, to utilize individuals to promote investment and economic development in Washington. The legislature recognizes the value in having the private sector work in partnership with state agencies involved in economic development efforts.