

Committee on Judiciary

CS/HB 401 — Effect of Dissolution or Annulment of Marriage on Certain Designations

by Judiciary Committee and Rep. Moraitis (CS/CS/SB 1146 by Budget Subcommittee on General Government Appropriations; Judiciary Committee; and Senator Simmons)

The bill generally nullifies upon divorce or annulment the designation of a spouse as a beneficiary of nonprobate assets such as life insurance policies, individual retirement accounts, and payable on death accounts. Certain state-administered retirement plans are exempt from the bill. If the provisions of the bill apply, an asset will pass as if the former spouse predeceased the decedent.

The bill also specifies criteria for a payor of a nonprobate asset to use in identifying the appropriate beneficiary. The bill specifically provides that the payor is not liable in some circumstances for transferring an asset to the beneficiary identified through the bill's criteria.

If approved by the Governor, these provisions take effect July 1, 2012.

Vote: Senate 34-6; House 116-0