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## FISCAL IMPACT REPORT

SPONSOR: Park DATE TYPED: 03/11/01 HB 941/aHJC  
 SHORT TITLE: Transfer of Property on Death Deed SB \_\_\_\_\_  
 ANALYST: Valdes

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY01	FY02	FY01	FY02		
			NFI		

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

Attorney General

### SUMMARY

#### Synopsis of HJC Amendment

This amendment makes a technical change which is not a substantive change to the bill. It changes “owner” to “record owner.”

#### Synopsis of Original Bill

House Bill 941 would allow a person (grantor) to transfer real property to another (grantee) prior to the grantor’s death, but which transfer would be effective only upon his death. The bill sets forth the language of the deed, which must be filed in the real estate records of the county clerk of the county in which the property is located. Title does not vest until the death of the grantor. The transfer would be revokable, and the bill provides a mechanism for revoking it. Such a transfer is not, however, revoked by a conflicting provision in a will. The rights of a surviving joint tenant prevail over those of the grantee of such a deed. If the assets of the grantor’s estate are not sufficient to cover claims against the estate and the statutory allowances to the surviving spouse and children, the transfer abates as to those claims.

#### Significant Issues

Under current law, transfers at death will be controlled by the owner’s will or by the law governing intestate succession.

### TECHNICAL ISSUES

Section 1(K), page 4, provides that if the grantee beneficiary dies before the grantor and an alternate grantee beneficiary has not been named, the transfer lapses. The bill does not address the status of the

transfer if the alternate dies before the grantor. Does the transfer lapse then, as well, or do the alternate’s heirs/devisees take title, pursuant to the rules of testate or intestate succession?

MFV/njw:ar