

SESSION OF 2021

**SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2152**

As Amended by House Committee on Judiciary

**Brief\***

HB 2152, as amended, would amend law regarding the effect of a transfer-on-death deed when a grantee beneficiary dies prior to the death of the record owner. Current law provides, in this situation, the transfer shall lapse if an alternative grantee beneficiary has not been designated on the deed. The bill would amend this provision to apply it only where an alternative grantee beneficiary has not been designated to succeed to the deceased grantee beneficiary's interest and to lapse the transfer only with respect to any such deceased grantee's beneficiary.

The bill also would add an exception to this provision stating, when the transfer-on-death deed was not made contingent on the grantee beneficiary surviving the record owner, and the deceased grantee beneficiary (beneficiary) leaves at least one then-surviving issue upon the death of the owner when such interest would otherwise have lapsed under the above provision, the interest would not lapse and would vest on the record owner's death in the then-surviving issue of the beneficiary on a *per stirpes* basis as successor grantee or grantees.

The bill would provide that any judicial proceeding initiated by an interested party to determine the succession of ownership of real estate of a deceased record owner pursuant to the above provisions would be subject to the Kansas Probate Code to determine descent.

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\*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

The bill would state its amendments would apply to deeds filed of record on or after July 1, 2021.

## **Background**

The bill was introduced by the House Committee on Judiciary at the request of the Kansas Bar Association.

### ***House Committee on Judiciary***

In the House Committee hearing on February 4, 2021, a representative of the Kansas Bar Association testified as a **proponent** of the bill, stating the bill would clarify the operation of the statute when there is more than one transfer-on-death beneficiary or a deceased beneficiary has surviving issue. No **opponent** or neutral testimony was provided.

On February 11, 2021, the House Committee amended the bill to clarify language related to the transfer-on-death deed and to change the amendment applicability date.

## **Fiscal Information**

According to the fiscal note prepared by the Division of the Budget on the bill, as introduced, the Office of Judicial Administration indicates enactment of the bill could have a fiscal effect on the Judicial Branch by allowing more probate actions to be filed, which could require more time spent by court employees and judges on such cases and result in the collection of docket fees in such cases. Any fiscal effect associated with enactment of the bill is not reflected in *The FY 2022 Governor's Budget Report*.

Transfer-on-death deed; predeceased beneficiary