

HOUSE BILL No. 2127

By Committee on Judiciary

1-23

1 AN ACT concerning the Kansas probate code; relating to transfer-on-death
2 deeds; lapsing or vesting of ownership in grantee beneficiary;
3 amending K.S.A. 2016 Supp. 59-3504 and repealing the existing
4 section.

5
6 *Be it enacted by the Legislature of the State of Kansas:*

7 Section 1. K.S.A. 2016 Supp. 59-3504 is hereby amended to read as
8 follows: 59-3504. (a) Title to the interest in real estate recorded in transfer-
9 on-death form shall vest in the designated grantee beneficiary or
10 beneficiaries on the death of the record owner.

11 (b) Grantee beneficiaries of a transfer-on-death deed take the record
12 owner's interest in the real estate at death subject to all conveyances,
13 assignments, contracts, mortgages, liens and security pledges made by the
14 record owner or to which the record owner was subject during the record
15 owner's lifetime including, but not limited to, any executory contract of
16 sale, option to purchase, lease, license, easement, mortgage, deed of trust
17 or lien, claims of the state of Kansas for medical assistance, as defined in
18 K.S.A. 39-702, and amendments thereto, pursuant to K.S.A. 39-709, and
19 amendments thereto, and to any interest conveyed by the record owner that
20 is less than all of the record owner's interest in the property.

21 ~~(e) If a grantee beneficiary dies prior to the death of the record owner~~
22 ~~and an alternative grantee beneficiary has not been designated on the deed,~~
23 ~~the transfer shall lapse.~~

24 (c) (1) *Except as provided in subsection (c)(2), a transfer of real*
25 *estate made pursuant to a transfer-on-death deed to a deceased grantee*
26 *beneficiary shall lapse if:*

27 (A) *The grantee beneficiary dies prior to the death of the record*
28 *owner;*

29 (B) *the grantee beneficiary's interest in the real estate in the transfer-*
30 *on-death deed was not specifically made contingent on such grantee*
31 *beneficiary surviving the record owner; and*

32 (C) *an eligible alternative grantee beneficiary has not been*
33 *designated on the deed to succeed to such deceased grantee beneficiary's*
34 *interest.*

35 (2) *A transfer of real estate made pursuant to a transfer-on-death*
36 *deed to a deceased grantee beneficiary shall vest in the surviving issue, as*

1 *defined in K.S.A. 59-615, and amendments thereto, of such deceased*
2 *grantee beneficiary, upon the record owner's death if:*

3 *(A) The deceased grantee beneficiary is a spouse, lineal descendent*
4 *or other relative of the record owner; within six degrees of relationship by*
5 *blood or adoption, as computed pursuant to K.S.A. 59-909, and*
6 *amendments thereto;*

7 *(B) the deceased grantee beneficiary leaves any issue surviving the*
8 *record owner; and*

9 *(C) the transfer of real estate would have otherwise vested in the*
10 *deceased grantee beneficiary, had the deceased grantee beneficiary*
11 *survived the record owner.*

12 *(d) The provisions of the Kansas probate code, K.S.A. 59-101 et seq.,*
13 *and amendments thereto, shall apply to any judicial proceeding initiated*
14 *by an interested party to determine succession of ownership of real estate*
15 *of a deceased record owner, if the grantee beneficiary has predeceased the*
16 *deceased record owner.*

17 *(e) (1) The amendments to this section by this act shall apply to all*
18 *record owners who die on or after July 1, 2017.*

19 *(2) The amendments to this section by this act shall not apply to*
20 *record owners who died before July 1, 2017.*

21 Sec. 2. K.S.A. 2016 Supp. 59-3504 is hereby repealed.

22 Sec. 3. This act shall take effect and be in force from and after its
23 publication in the statute book.