

WAC 415-501-494 How will the account be distributed if my beneficiary is a minor? If you die before your entire account has been distributed and if one or more of your beneficiaries is a minor child, the department will distribute your deferred compensation funds to the minor according to the following:

(1) **Nominated UTMA custodian.** If your beneficiary is a minor at the time of your death, and if you have nominated a custodian to receive funds on behalf of your minor beneficiary pursuant to RCW 11.114.030 of the Uniform Transfers to Minors Act (UTMA), the department will distribute your funds to the custodian regardless of the amount to be distributed. If you have more than one minor beneficiary, a separate custodianship must be established for each minor.

(2) **No nominated UTMA custodian.** If, at the time of your death, your beneficiary is a minor and you did **not** nominate a custodian to receive the funds on behalf of your minor beneficiary, then your funds will be distributed according to the following:

(a) If your beneficiary is an emancipated minor and your DCP account balance is less than five thousand dollars, the department will distribute the funds directly to the minor.

(b) If your beneficiary is an unemancipated minor and your DCP account balance is less than five thousand dollars, the department will distribute the funds to an adult member of the minor's family or to a court-appointed custodian who submits a claim on behalf of the minor beneficiary. If no adult family member or court-appointed custodian submits a claim within one hundred eighty days of your death, the department will directly petition the court for the appointment of a custodian under the UTMA. After a custodian is appointed, the department will distribute the funds to the custodian.

(c) If your beneficiary is a minor and your DCP account balance is five thousand dollars or greater, the department will distribute the funds only to a court-appointed guardian.

(i) Upon satisfactory proof of guardianship, the department will distribute the funds to the guardian of the minor.

(ii) If the department does not receive satisfactory proof of guardianship within one hundred eighty days of your death, the department will petition the court for the appointment of a guardian under chapters 11.88 and 11.92 RCW. After a guardian is appointed, the department will distribute the funds to the guardian pursuant to the terms of the guardianship order.

(3) Distribution consistent with this rule releases the department from further liability with regard to your DCP account.

(4) The person receiving the distribution pursuant to this rule must choose a distribution date and method on behalf of the minor, consistent with the requirements of this chapter.

(5) **Terms used.** For purposes of this rule, the following terms are defined as:

(a) An "adult" is any person who has attained the age of twenty-one years.

(b) A "member of the minor's family" means a parent, stepparent, spouse, grandparent, brother, sister, uncle, or aunt of the minor, whether in whole or half blood or by adoption.

[Statutory Authority: RCW 41.50.050(5), 41.50.770, and 41.50.780. WSR 09-09-044, § 415-501-494, filed 4/9/09, effective 5/10/09. Statutory Authority: RCW 41.50.050(5), 41.50.780(10), and 41.50.770. WSR 04-22-053, § 415-501-494, filed 10/29/04, effective 11/29/04. Statutory Authority: RCW 41.50.050(5), 41.50.030(2), 41.50.088(2), 41.50.770,

and 41.50.780, 26 U.S.C. (Internal Revenue Code) and related tax regulations. WSR 02-01-121, § 415-501-494, filed 12/19/01, effective 1/1/02.]