

2018 -- S 2438

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2018

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A N A C T

RELATING TO DOMESTIC RELATIONS -- DIVORCE AND SEPARATION

Introduced By: Senators Nesselbush, P Fogarty, Pearson, Quezada, and Lombardi

Date Introduced: February 15, 2018

Referred To: Senate Judiciary

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 15-5 of the General Laws entitled "Divorce and Separation" is
2 hereby amended by adding thereto the following section:

3 **15-5-30. Divorce and annulment - beneficiary revocation.**

4 (a)(1) If, after a married owner makes a beneficiary designation, the owner's marriage is
5 dissolved or annulled, any provision of the beneficiary designation in favor of the owner's former
6 spouse or a relative of the owner's former spouse shall be revoked on the date the marriage is
7 dissolved or annulled, whether or not the beneficiary designation refers to marital status. Any
8 beneficiary designation herein shall be given effect as if the former spouse or relative of the
9 former spouse had disclaimed the revoked provision.

10 (2) Subsection (a)(1) of this section does not apply to a provision of a beneficiary
11 designation that has been made irrevocable, or revocable only with the spouse's consent, or that is
12 made after the marriage was dissolved, or that expressly states that marriage dissolution shall not
13 affect the designation of a spouse or relative of a spouse as beneficiary.

14 (3) Any beneficiary designation revoked solely by this section shall be revived by the
15 owner's remarriage to the former spouse or by a nullification of the marriage dissolution or
16 annulment.

17 (4) For purposes of this section:

18 (i) "Owner" means the spouse who designates a beneficiary to receive certain proceeds or
19 benefits.

1 (ii) "Relative of owner's former spouse" means an individual who is related to the owner's
2 former spouse by blood, adoption or affinity and who, after the divorce or annulment, is not
3 related to the owner by blood, adoption or affinity.

4 (5) No person, including, but not limited to, any agent, bank, broker, custodian, issuer,
5 life insurance company, plan administrator, savings and loan association, transfer agent, or trustee
6 shall not be liable in damages or otherwise in a civil or criminal action or proceeding for
7 distributing or disposing of property in reliance upon and in accordance with a designation of
8 beneficiary, provided that both of the following apply:

9 (i) The distribution or disposition otherwise is proper;

10 (ii) The agent, bank, broker, custodian, issuer, life insurance company, plan
11 administrator, savings and loan association, transfer agent, trustee, or other person did not have
12 any notice of the facts that resulted in the revocation of the beneficiary designation pursuant to
13 this section.

14 (b) Subsection (a) of this section shall not apply:

15 (1) If the decree of divorce or annulment contains a provision expressing an intention
16 contrary to subsection (a) of this section;

17 (2) If the decedent makes the contract subsequent to the divorce or annulment;

18 (3) To the extent, if any, the contract which includes the beneficiary designation contains
19 a provision expressing an intention contrary to subsection (a) of this section.

20 (4) If the decedent renames the former spouse as the beneficiary or as the person or
21 persons to whom payment of a death benefit is to be made in writing delivered to the payor of the
22 benefit prior to the death of the decedent and subsequent to the divorce or annulment.

23 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

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- 1 This act would revoke any beneficiary status of a spouse upon the divorce or annulment
- 2 to the designor of the benefit.
- 3 This act would take effect upon passage.

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