

2026 Regular Session

SENATE RESOLUTION NO. 133

BY SENATOR ABRAHAM

SECURITIES. Creates a task force to study the use of payable-on-death and transfer-on-death accounts and to report its findings and any recommendations for revisions to applicable Louisiana laws to the legislature.

1 A RESOLUTION

2 To create a task force to study the use of payable-on-death and transfer-on-death accounts  
3 and to evaluate the need for revisions to applicable state laws.

4 WHEREAS, Louisiana has long recognized the designation of beneficiaries on  
5 payable-on-death accounts as a method of account registration that does not transfer  
6 ownership during the lifetime of the account holder; and

7 WHEREAS, Louisiana has only recently recognized transfer-on-death accounts as  
8 a method of registration of an account without transferring ownership; and

9 WHEREAS, as a result, considerable uncertainty and litigation has developed  
10 concerning payable-on-death and transfer-on-death accounts; and

11 WHEREAS, a comprehensive review of these provisions of law regarding both  
12 payable-on-death and transfer-on-death accounts is necessary to provide clarity, ensure  
13 consistency with state law, and evaluate whether revisions to existing law are warranted.

14 THEREFORE, BE IT RESOLVED that the Senate of the Legislature of Louisiana  
15 does hereby establish and provide for the Task Force on Payable-on-death and Transfer-on-  
16 death Accounts to study the use of payable-on-death and transfer-on-death accounts, to  
17 evaluate the need for revisions to applicable state laws, and to propose recommendations,  
18 together with specific proposals for legislation, by written report to the legislature and to the

1 David R. Poynter Legislative Research Library as required by R.S. 24:771 and 772, no later  
2 than March 1, 2027.

3 BE IT FURTHER RESOLVED that the task force shall include, at a minimum,  
4 consideration of the following:

5 (1) The interaction of transfer-on-death accounts with Louisiana laws on forced  
6 heirship, including whether the statutory entitlement of a beneficiary to proceeds "against  
7 the estate, heirs, and legatees" is consistent with Louisiana law governing legitime and  
8 reduction.

9 (2) The classification of transfer-on-death account proceeds under community  
10 property law, including the rights of surviving spouses and the characterization of account  
11 funds.

12 (3) The treatment of transfer-on-death accounts as nonprobate transfers, including  
13 the statutory exemption of proceeds from probate and whether the exemption should be  
14 limited or conditioned.

15 (4) The legal effect of beneficiary designations made by contract, including whether  
16 the designations should supersede testamentary dispositions or be subject to collation,  
17 reduction, or other succession principles.

18 (5) The requirement that beneficiary designations be executed by authentic act and  
19 the prohibition on electronic designations or execution by power of attorney, including the  
20 practical and legal implications of the requirements.

21 (6) The rights, duties, and liability protections afforded to financial institutions,  
22 including statutory discharge from liability upon payment to a named beneficiary and the  
23 scope of such protections.

24 (7) The extent to which heirs, forced heirs, or the estate may assert claims, including  
25 claims based on vices of consent, and whether the remedies are sufficient to protect  
26 Louisiana policy interests.

27 (8) The treatment of multiple owners of transfer-on-death accounts, including  
28 requirements for unanimous execution and the implications for ownership rights and  
29 beneficiary designations.

30 (9) The authority of financial institutions to impose additional contractual conditions

1 and the extent to which the conditions may conflict with or be preempted by law.

2 (10) The treatment of secured interests, including the exclusion of pledged or  
3 assigned account funds from the operation of transfer-on-death provisions.

4 (11) The interaction between transfer-on-death accounts and existing Louisiana laws  
5 governing payable-on-death accounts, multiple-party accounts, and similar beneficiary  
6 designations.

7 (12) The rights of creditors of the decedent and whether the accounts should be  
8 subject to claims for debts, expenses of administration, or reimbursement.

9 (13) Conflict of law issues, including recognition and enforcement of  
10 transfer-on-death accounts established under the laws of other states.

11 (14) Consumer protection considerations, including risks of fraud, undue influence,  
12 or abuse, particularly in light of restrictions on power of attorney and electronic execution.

13 (15) The overall compatibility of transfer-on-death and payable-on-death accounts  
14 with Louisiana's civil law tradition.

15 (16) Recommendations for statutory revisions necessary to provide clarity,  
16 uniformity, and predictability in Louisiana law.

17 (17) The development and drafting of proposed legislation sufficient to resolve  
18 identified legal uncertainties, reconcile conflicts with existing law, and implement the  
19 recommendations of the task force.

20 BE IT FURTHER RESOLVED that the task force shall consist of the following  
21 members:

22 (1) Two private attorneys with expertise in tax and estate planning matters, appointed  
23 by the chairperson of the Senate Committee on Commerce, Consumer Protection and  
24 International Affairs.

25 (2) Two members representing the banking and securities industry, appointed by the  
26 chairperson of the Senate Committee on Commerce, Consumer Protection and International  
27 Affairs.

28 (3) Two members of the Louisiana State Law Institute with expertise in property,  
29 successions, or related areas of law, appointed by the president of the council.

30 BE IT FURTHER RESOLVED that each designating authority shall submit the

