2016 Regular Session

HOUSE BILL NO. 724

BY REPRESENTATIVE PRICE

CREDIT/UNIONS: Provides relative to deposits payable upon the depositor's death

1	AN ACT
2	To amend and reenact R.S. 6:653.1(A) and (B), relative to trust deposits payable to
3	beneficiaries; to repeal provisions requiring authentic form when naming
4	beneficiaries; to repeal provisions requiring the use of certain terms with respect to
5	credit union share accounts; and to provide for related matters.
6	Be it enacted by the Legislature of Louisiana:
7	Section 1. R.S. 6:653.1(A) and (B) are hereby amended and reenacted to read as
8	follows:
9	§653.1. Trust deposits; death of depositor, payment
10	A. Upon the death of a member who has deposited a sum in any federal or
11	state credit union account evidencing an intention that upon the death of the member,
12	the funds shall belong to the named beneficiary or beneficiaries of the member, the
13	federal or state credit union may pay the share account, together with the dividends
14	or accruing interest accruing thereto, to the named beneficiaries for whom the
15	deposit was made, and the federal or state credit union may rely conclusively
16	thereon. The member shall, at the time such share account is established, give to the
17	federal or state credit union an affidavit in authentic form stating the names of one
18	or more beneficiaries. The credit union may conclusively rely on this affidavit for
19	the disbursal of funds. Upon receiving a death certificate, the credit union may
20	disburse funds to the named beneficiaries.

Page 1 of 2

CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

1	B. The title of such a share account must include the terms "in trust for", "as
2	trustee for", or "payable on death to", such beneficiary or beneficiaries. Such
3	beneficiaries must shall be specifically named in the share account records of the
4	federal or state credit union.
5	* * *

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 724 Engrossed	2016 Regular Session	Price
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Abstract: Makes changes to law applicable to share accounts of credit unions for which a member may make deposits payable to beneficiaries.

<u>Present law</u> provides that the member of a federal or state credit union may deposit funds into a share account with the intention to make the deposited funds payable to certain beneficiaries upon the death of the member. <u>Proposed law</u> retains <u>present law</u>.

<u>Present law</u> requires the member to provide, by affidavit in authentic form, the names of the beneficiaries to the respective credit union. <u>Proposed law</u> deletes <u>present law</u>.

<u>Present law</u> requires the title of the share account to include the terms "in trust for", "as trustee for", or "payable on death to", such beneficiary or beneficiaries. <u>Proposed law</u> deletes <u>present law</u>.

<u>Present law</u> requires for beneficiaries to be specifically named in the share account records of the federal or state credit union. <u>Proposed law</u> retains <u>present law</u>.

(Amends R.S. 6:653.1(A) and (B))

Summary of Amendments Adopted by House

- The Committee Amendments Proposed by <u>House Committee on Commerce</u> to the <u>original</u> bill:
- 1. Make technical changes.