

2016 Regular Session

SENATE BILL NO. 126

BY SENATOR MARTINY

BANKS/BANKING. Provides relative to payable on death accounts. (8/1/16)

1 AN ACT

2 To amend and reenact R.S. 6:314(A) and 766.1(A), relative to payable on death accounts;
3 to provide for acts under private signature; to provide for certain procedures; and to
4 provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 6:314(A) and 766.1(A) are hereby amended and reenacted to read
7 as follows:

8 §314. Trust deposits; death of depositor, payment

9 A. Upon the death of a depositor who has deposited a sum in any bank
10 account evidencing an intention that upon the death of the depositor, the funds shall
11 belong to one or more named beneficiaries of the depositor, the bank may pay the
12 deposit, together with the dividends or interest accruing thereto, to the named
13 beneficiaries for whom the deposit was made. The depositor shall give to the
14 depository bank an affidavit in authentic form or an act under private signature
15 executed in the presence of an officer or a branch manager of the depository
16 bank and two additional persons, stating the names of one or more beneficiaries.
17 The bank may conclusively rely on this affidavit or act for the disbursement of funds.

1 Upon receiving a death certificate, the bank may disburse funds to the named
2 beneficiaries.

3 * * *

4 §766.1. Payable on death accounts

5 A. Upon the death of a depositor who has deposited a sum in any account
6 evidencing an intention that upon the death of the depositor, the funds shall belong
7 to one or more named beneficiaries of the depositor, the association may pay the
8 deposit, together with the dividends or interest accruing thereto, to the named
9 beneficiaries for whom the deposit was made. The depositor shall give to the
10 association an affidavit in authentic form **or an act under private signature**
11 **executed in the presence of an officer or a branch manager of the association**
12 **and two additional persons**, stating the names of one or more beneficiaries. The
13 association may conclusively rely on this affidavit **or act** for the disbursement of funds.

14 Upon receiving a death certificate, the association may disburse funds to the named
15 beneficiaries.

16 * * *

The original instrument and the following digest, which constitutes no part
of the legislative instrument, were prepared by Michelle Ridge.

DIGEST

SB 126 Engrossed

2016 Regular Session

Martiny

Present law provides relative to payable on death accounts.

Present law applies to banks and mutual associations and requires that upon the death of a depositor who has deposited a sum in any account evidencing an intention that upon the death of the depositor, the funds shall belong to one or more named beneficiaries of the depositor, the bank or the mutual association ("association") may pay the deposit, together with the dividends or interest accruing thereto, to the named beneficiaries for whom the deposit was made.

Present law provides that the depositor must give to the bank or the association an affidavit in authentic form stating the names of one or more beneficiaries and present law provides the bank or the association may conclusively rely on this affidavit for the disbursement of funds.

Proposed law maintains present law and provides that as an alternative to an affidavit in authentic form, the depositor may submit to the bank or association an act under private signature executed in the presence of an officer or a branch manager of the bank or association and two additional persons. Proposed law provides that the bank or association may conclusively rely on this act for the disbursement of funds.

Effective August 1, 2016.

(Amends R.S. 6:314(A) and 766.1(A))