

SENATE BILL NO. 49

BY SENATOR MILLER

1 AN ACT

2 To enact R.S. 9:2449.1 and R.S. 22:911.1, relative to divorce; to provide with respect to
3 certain beneficiary designation prior to divorce; to provide for the automatic
4 revocation of certain benefits upon divorce; to provide with respect to certain
5 retirement accounts; to provide relative to life insurance; to provide for liability of
6 payor of certain proceeds upon death; to provide relative to exceptions; and to
7 provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 9:2449.1 is hereby enacted to read as follows:

10 **§2449.1. Revocation upon divorce; deferred compensation plans**

11 **A. A divorce of an individual from the individual's spouse revokes any**
12 **benefit payable to the former spouse by reason of the individual's death under**
13 **any pension, profit-sharing, retirement, or similar benefit plan, provided the**
14 **divorce occurs after the beneficiary is designated, the parties remained divorced**
15 **from each other at the time of death, and no judgment or property-settlement**
16 **agreement expressly provides otherwise. If revocation occurs, the proceeds of**
17 **the plan are payable as if the former spouse had predeceased the decedent.**

18 **B. A payor is not liable for having made payment in good faith reliance**
19 **on the validity of a beneficiary designation affecting any pension, profit-sharing,**
20 **retirement, or similar benefit plan before the payor has received written notice**
21 **of the divorce, judgment, or property-settlement agreement at its home office**
22 **or principal office with notice that the beneficiary designation has been revoked**
23 **under this Section, and has had a reasonable time within which to act.**

24 **C. This Section shall not apply to any beneficiary designation made**
25 **pursuant to the Louisiana Public Retirement Law.**

26 Section 2. R.S. 22:911.1 is hereby enacted to read as follows:

27 **§911.1. Revocation upon divorce; beneficiary designation in life insurance and**

1 annuity contracts

2 A. In all policies of life or endowment insurance and in all annuity
3 contracts, divorce revokes any revocable designation made by a divorced
4 individual to the former spouse, provided the divorce occurs after the
5 beneficiary is designated, the parties remained divorced from each other at the
6 time of death, and no judgment or property-settlement agreement expressly
7 provides otherwise. If revocation occurs, the proceeds of the policy or annuity
8 contract are payable as if the former spouse had predeceased the decedent.

9 B. A payor is not liable for having made payment in good faith reliance
10 on the validity of a beneficiary designation affecting any insurance policy or
11 annuity before the payor has received written notice of the divorce, judgment,
12 or property-settlement agreement, and has had a reasonable time within which
13 to act.

14 Section 3. The provisions of this Act shall be given prospective application only and
15 shall not apply to beneficiaries named prior to the effective date of this Act.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____