

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 to repeal R.S. 6:653.1(B), relative to trust
3 deposits payable to beneficiaries; to repeal provisions requiring authentic form when
4 naming beneficiaries; to repeal provisions requiring the use of certain terms with
5 respect to 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) is hereby amended and reenacted to read as follows:

8 §653.1. Trust deposits; death of depositor, payment

9 A. Upon the death of a member who has deposited a sum in any federal or
10 state credit union account evidencing an intention that upon the death of the member,
11 the funds shall belong to the named beneficiary or beneficiaries of the member, the
12 federal or state credit union may pay the share account, together with the dividends
13 or accruing interest ~~accruing thereto~~, to the named beneficiaries for whom the
14 deposit was made, and the federal or state credit union may rely conclusively
15 thereon. ~~The member shall, at the time such share account is established, give to the~~
16 ~~federal or state credit union an affidavit in authentic form stating the names of one~~
17 ~~or more beneficiaries. The credit union may conclusively rely on this affidavit for~~
18 ~~the disbursement of funds.~~ Upon receiving a death certificate, the credit union may
19 disburse funds to the named beneficiaries. Such beneficiaries shall be specifically
20 named in the share account records of the federal or state credit union.

21 * * *

22 Section 2. R.S. 6:653.1(B) is hereby repealed in its entirety.

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 Reengrossed

2016 Regular Session

Price

Abstract: Makes changes to law applicable to share accounts of credit unions for which a member may make deposits payable to beneficiaries.

Present law 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. Proposed law retains present law.

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

Present law 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. Proposed law deletes present law.

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

(Amends R.S. 6:653.1(A); Repeals R.S. 6:653.1(B))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Commerce to the original bill:

1. Make technical changes.

The House Floor Amendments to the engrossed bill:

1. Make changes to merge the amended provisions of R.S. 6:653.1(A) and (B) into one, cohesive Subsection.