

1 ENGROSSED HOUSE  
2 BILL NO. 3128

By: Mize of the House

3 and

4 Pugh of the Senate  
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7 An Act relating to banking; providing certain powers  
8 and authorities for authorized signers on deposit  
9 accounts; allowing for certain additional powers;  
10 providing for additional authorization document;  
11 stating content requirements for certain document;  
12 providing for granting of certain additional powers;  
13 providing certain form for additional powers;  
14 amending 6 O.S. 2011, Section 901, which relates to  
15 deposits in the name of two or more persons;  
16 modifying requirements for certain beneficiaries for  
17 Payable on Death deposit accounts; providing for  
18 codification; and providing an effective date.  
19

20 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

21 SECTION 1. NEW LAW A new section of law to be codified  
22 in the Oklahoma Statutes as Section 908 of Title 6, unless there is  
23 created a duplication in numbering, reads as follows:

24 A. Unless the deposit account agreement states otherwise, an  
authorized signer on a deposit account shall have the following  
powers, regardless of whether the account is a consumer or  
commercial account:

1. Sign checks;

- 1        2. Make deposits of checks payable to the account owner into
- 2 the account;
- 3        3. Make cash deposits into the account;
- 4        4. Obtain an account balance;
- 5        5. View copies of checks he or she has signed; and
- 6        6. Obtain deposit slips when making a deposit.

7        B. If additional authority is not expressly granted in the  
8 deposit account agreement, additional powers may be granted in  
9 writing by the owner of the account. If the account is an  
10 individual account, the owner may execute an additional  
11 authorization document. It must be dated and in writing and may be  
12 revoked or amended at any time by the account owner. If there are  
13 multiple owners, all must execute the additional authorization  
14 document. If the account is owned by an entity, the entity must  
15 approve the grant of additional powers in the same manner as it  
16 appoints authorized signers.

17        C. A customer may initial next to the additional powers to be  
18 granted and line through those that are not being granted, pursuant  
19 to subsection D of this section.

20        D. Form for Additional Powers for Authorized Signer:

21        I, the undersigned account owner or duly empowered  
22 representative of the account owner, hereby grant and approve the  
23 following additional powers for authorized signer(s) on account

24        # \_\_\_\_\_ . Bank name \_\_\_\_\_ .

- 1           \_\_\_\_\_ Obtain and use a debit card or automated teller  
2 machine card
- 3           \_\_\_\_\_ Obtain copies of statements on the account from the  
4 bank
- 5           \_\_\_\_\_ Order checks
- 6           \_\_\_\_\_ Obtain copies of checks or other transactions on  
7 the account
- 8           \_\_\_\_\_ Authorize or terminate automated clearing house  
9 debits to the account
- 10          \_\_\_\_\_ Complete affidavits of forgery
- 11          \_\_\_\_\_ Initiate a change of address for the account
- 12          \_\_\_\_\_ Withdraw cash up to \$ \_\_\_\_\_
- 13          \_\_\_\_\_ Dispute a card transaction on the account
- 14          \_\_\_\_\_ Report a lost or stolen card on the account
- 15          \_\_\_\_\_ Use online banking to view transactions on the  
16 account
- 17          \_\_\_\_\_ Set up online bill payments
- 18          \_\_\_\_\_ Use the mobile app to access information about the  
19 account.

20           SECTION 2.           AMENDATORY           6 O.S. 2011, Section 901, is  
21 amended to read as follows:

22           Section 901. A. When a deposit has been made or shall  
23 hereafter be made in any bank in the names of two or more persons,  
24 payable to any of them or payable to any of them or the survivor,

1 such deposit, or any part thereof, or any interest thereon, may be  
2 paid to either of the persons, whether one of such persons shall be  
3 a minor or not, and whether the other be living or not; and the  
4 receipt or acquittance of the person so paid shall be valid and  
5 sufficient release and discharge to the bank for any payment so  
6 made.

7 B. 1. When a deposit has been made or shall hereafter be made  
8 in any bank using the terms "Payable on Death" or "P.O.D.", such  
9 deposits shall be payable on the death of the account owner to one  
10 or more designated P.O.D. beneficiaries, or to an individual or  
11 individuals named beneficiary if living and if not living, to the  
12 named estate of the beneficiary, notwithstanding any provision to  
13 the contrary contained in Sections 41 through 57 of Title 84 of the  
14 Oklahoma Statutes. Each designated P.O.D. beneficiary shall be a  
15 trust, an individual, or a nonprofit organization exempt from  
16 taxation pursuant to the provisions of the Internal Revenue Code, 26  
17 U.S.C., Section 501(c)(3).

18 2. A deposit account with a P.O.D. designation shall constitute  
19 a contract between the account owner, (or owners, if more than one)  
20 and the bank that upon the death of the last surviving owner of the  
21 account, and after payment of account proceeds to any secured party  
22 with a valid security interest in the account, the bank will hold  
23 the funds for or pay them to the named primary beneficiary or  
24 beneficiaries if living. If ~~any named~~ a primary beneficiary ~~is not~~

1 ~~living~~ predeceases the account owner, the share of that primary  
2 beneficiary shall ~~instead be held for or paid to the estate of that~~  
3 ~~deceased beneficiary unless contingent beneficiaries have been~~  
4 ~~designated by the account owner as allowed by~~ be distributed  
5 pursuant to either paragraph 4 or 5 of this subsection, whichever is  
6 applicable.

7 3. Each P.O.D. beneficiary designated on a deposit account  
8 shall be a primary beneficiary unless specifically designated as a  
9 contingent beneficiary.

10 4. If there is only one primary P.O.D. beneficiary on a deposit  
11 account and that beneficiary is an individual, the account owner may  
12 designate one or more contingent beneficiaries for whom the funds  
13 shall be held or to whom the funds shall be paid if the primary  
14 beneficiary is not living when the last surviving owner of the  
15 account dies. If there is more than one primary P.O.D. beneficiary  
16 on a deposit account, contingent beneficiaries shall not be allowed  
17 on that account.

18 5. If the ~~only~~ sole primary P.O.D. beneficiary is not living  
19 and one or more contingent beneficiaries have been designated as  
20 allowed by paragraph 4 of this subsection, the funds shall be held  
21 for or paid to the contingent beneficiaries who are alive at the  
22 time of the account owner's death in equal shares, and shall not  
23 belong to the estate of the deceased primary beneficiary. If ~~the~~  
24 ~~only primary beneficiary is not living, and a contingent beneficiary~~

1 ~~or contingent beneficiaries have been designated as allowed by~~  
2 ~~paragraph 4 of this subsection, but one or more designated~~  
3 ~~contingent beneficiaries are also not living, the share that~~  
4 ~~otherwise would belong to any deceased contingent beneficiary shall~~  
5 ~~instead be held for or paid to the estate of that deceased~~  
6 ~~contingent beneficiary~~ neither the primary beneficiary nor any  
7 contingent beneficiary is living at the time of the account owner's  
8 death, the funds shall be paid to the account owner's estate.

9 6. In order to designate multiple primary P.O.D. beneficiaries  
10 for a deposit account, the account should be styled as follows:

11 "(Name of Account Owner), payable on death (or P.O.D.) to (Name  
12 of Beneficiary), (Name of Beneficiary), and (Name of Beneficiary, in  
13 equal shares.)"

14 7. If only one primary P.O.D. beneficiary has been designated  
15 on a deposit account, the account owner may add the following, or  
16 words of similar meaning, in the style of the account or in the  
17 account agreement:

18 "If the designated P.O.D. beneficiary is deceased, then payable  
19 on the death of the account owner to (Name of Beneficiary), (Name of  
20 Beneficiary), and (Name of Beneficiary), as contingent  
21 beneficiaries, in equal share."

22 8. Adjustments may be made in the styling, depending upon the  
23 number of owners of the account, to allow for survivorship rights,  
24 and the number of beneficiaries. It is to be understood that each

1 beneficiary is entitled to a proportionate share of the account  
2 proceeds only after the death of the last surviving account owner,  
3 and after payment of account proceeds to any secured party with a  
4 valid security interest in the account. ~~In the event of the death~~  
5 ~~of a beneficiary prior to the death of the account owner, the share~~  
6 ~~of that beneficiary shall go to the estate of that beneficiary.~~  
7 ~~Unless one or more contingent beneficiaries have been designated to~~  
8 ~~take the place of that beneficiary as provided in paragraph 4 of~~  
9 ~~this subsection.~~ All designated primary P.O.D. beneficiaries shall  
10 have equal shares. All designated contingent P.O.D. beneficiaries  
11 shall have equal shares as if the sole primary beneficiary is  
12 deceased. In the event of the death of a beneficiary prior to the  
13 death of the account owner, the share of that beneficiary shall be  
14 divided among any surviving beneficiaries or distributed to  
15 contingent beneficiaries pursuant to paragraphs 4 and 5 of this  
16 subsection, if applicable. If no beneficiaries are alive at the  
17 time of the account owner's death, the funds should be held for, or  
18 paid to, the estate of the deceased account owner.

19 9. A bank may require the owner of an account to provide an  
20 address for any primary or contingent P.O.D. beneficiary. If the  
21 P.O.D. account is an interest-bearing account and the funds are not  
22 claimed by the P.O.D. beneficiary or beneficiaries within sixty (60)  
23 days after the death of the last surviving account holder, or after  
24 the bank has notice of the death of the last surviving account

1 holder, whichever is later, the bank has the right to convert the  
2 account to a non-interest-bearing account.

3 10. No change in the designation of a named beneficiary shall  
4 be valid unless executed by the owner of the fund and in the form  
5 and manner prescribed by the bank; however, this section shall be  
6 subject to the provisions of Section 178 of Title 15 of the Oklahoma  
7 Statutes.

8 11. The receipt or acquittance of the named beneficiary so  
9 paid, or of the legal representative of ~~such named beneficiary's~~ the  
10 account owner's estate, ~~if the beneficiary is deceased and there is~~  
11 ~~no contingent beneficiary designated to take the place of that~~  
12 ~~beneficiary~~ in the event the beneficiaries predeceased the account  
13 owner, shall be valid and sufficient release and discharge to the  
14 bank for any payment so made, unless, prior to such payment, the  
15 bank receives notice in the form and manner required in Section 905  
16 of this title.

17 12. Subsequent to the effective date of this act, a bank shall  
18 provide a customer creating a P.O.D. account with a written notice  
19 that the distribution of the proceeds in the P.O.D. account shall be  
20 consistent with the provisions of Section 901 of ~~Title 6 of the~~  
21 ~~Oklahoma Statutes~~ this title.

22 C. The provisions of this section shall apply to all forms of  
23 deposit accounts, including, but not limited to, transaction  
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1 accounts, savings accounts, certificates of deposits, negotiable  
2 order of withdrawal (N.O.W.) accounts, and M.M.D.A. accounts.

3 SECTION 3. This act shall become effective November 1, 2020.

4 Passed the House of Representatives the 9th day of March, 2020.

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\_\_\_\_\_  
7 Presiding Officer of the House  
8 of Representatives

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9 Passed the Senate the \_\_\_ day of \_\_\_\_\_, 2020.

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12 Presiding Officer of the Senate

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