

HB 478 -- CREDIT UNIONS

This bill changes the laws regarding credit unions. In its main provisions, the bill:

- (1) Requires all provisions of Section 370.287, RSMo, to apply to shares issued in joint tenancy in the name of any minor;
- (2) Allows a credit union to require a minor's parent, guardian, or other person responsible for the minor to be a joint owner of the minor's account;
- (3) Specifies that shares on deposit held in the name of a minor are subject to the credit union's lien under Section 370.250 and any consensual lien on pledge of shares which might not be avoided due to the minor's status;
- (4) Allows a credit union to pay funds to a conservator appointed under Section 475.045 and thereby discharge its liability to the minor for the shares;
- (5) Requires accounts opened under the Missouri Transfer to Minors Law, Sections 404.005 to 404.094, to be governed by that law;
- (6) Allows shares to be issued in joint tenancy with the right of survivorship with any persons, minor or adult, designated by the credit union member whether or not the names are stated conjunctively, disjunctively, or otherwise;
- (7) Specifies that records of the credit union describing the issuance, opening, or maintenance of shares in joint tenancy with the right of survivorship in the absence of fraud or undue influence must be conclusive evidence of the intention of all joint tenants to vest title to the account any additions thereto in the surviving joint tenants;
- (8) Specifies that the adjudication of disability or incapacity of any one or more of the joint tenants cannot sever or terminate the joint tenancy ownership, and the account can be withdrawn or pledged by any one or more of the joint owners in the same manner as though the adjudication of disability or incapacity had not been made except that any withdrawal or pledge on behalf of the disabled joint owner must be by the person's conservator;
- (9) Specifies that shares held in the name of a husband and wife or the survivor thereof must be considered a joint tenancy and not a tenancy by the entirety unless otherwise specified; and
- (10) Specifies that a payment of any or all shares or additions

under these provisions releases and discharges a credit union from liability with respect to the payment of moneys for shares as allowed prior to the receipt by the credit union of written notification signed by any one of the joint tenants to not pay the shares in accordance with the specified terms. After receiving notice, a credit union can refuse without liability to honor any check, order to pay, withdrawal receipt, or order to pay out any dividends or interest pending determination of the rights of the parties. A credit union paying any joint tenant in accordance with these provisions cannot be liable for any estate or succession taxes that may be due this state. An account opened under the Missouri Transfer to Minors Law must be governed by that law.