

SENATE BILL No. 565

October 1, 2013, Introduced by Senators YOUNG, HOPGOOD and SCHUITMAKER and referred to the Committee on Banking and Financial Institutions.

A bill to amend 1968 PA 41, entitled

"An act to regulate credit union multiple-party accounts; and to repeal certain acts and parts of acts,"

(MCL 490.51 to 490.65) by adding section 14b.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 14B. (1) IF 1 OR MORE PERSONS APPLY TO ESTABLISH A JOINT
2 ACCOUNT AT A CREDIT UNION, THE CREDIT UNION SHALL DISCLOSE ALL OF
3 THE FOLLOWING INFORMATION TO EACH OF THE PROPOSED ACCOUNT HOLDERS
4 IN WRITING:

5 (A) THAT EACH ACCOUNT HOLDER IS THE OWNER OF THE MONEY IN A
6 JOINT ACCOUNT.

7 (B) THAT EACH JOINT ACCOUNT HOLDER HAS THE AUTHORITY TO
8 DEPOSIT OR WITHDRAW ANY OR ALL OF THE MONEY IN A JOINT ACCOUNT.

9 (C) THAT IF 1 OF THE OWNERS OF A JOINT ACCOUNT DIES, THE OTHER
10 OWNERS OF THE ACCOUNT CONTINUE AS THE OWNERS OF THE ACCOUNT AND

1 CONTINUE TO HAVE ACCESS TO THE MONEY IN THE ACCOUNT.

2 (D) THAT MONEY IN A JOINT ACCOUNT MAY BE SUBJECT TO THE CLAIMS
3 OF CREDITORS OF ANY JOINT ACCOUNT HOLDER.

4 (2) A CREDIT UNION MAY INCLUDE THE DISCLOSURE AND
5 ACKNOWLEDGMENT DESCRIBED IN SUBSECTION (1) IN A SEPARATE DOCUMENT,
6 OR AS PART OF ANOTHER DOCUMENT THE CREDIT UNION PROVIDES TO OR
7 REQUIRES FROM THE ACCOUNT HOLDERS IN CONNECTION WITH A JOINT
8 ACCOUNT. IF A MINOR IS A JOINT ACCOUNT HOLDER, THE CREDIT UNION MAY
9 DELIVER THE DISCLOSURE TO AN ADULT ACTING ON BEHALF OF THE MINOR.

10 (3) AS USED IN THIS SECTION, "JOINT ACCOUNT" MEANS A MULTIPLE-
11 PARTY ACCOUNT IN THE NAME OF 2 OR MORE INDIVIDUALS, EACH OF WHOM
12 HAS AN UNDIVIDED RIGHT TO THE ENTIRE BALANCE.

13 Enacting section 1. This amendatory act takes effect 1 year
14 after the date it is enacted into law.