



# STATE FISCAL IMPACT

**Drafting Number:** LLS 13-0294**Date:** January 11, 2013**Prime Sponsor(s):** Rep. Gardner  
Sen. Jahn**Bill Status:** House Judiciary**Fiscal Analyst:** Bill Zepernick (303-866-4777)

**TITLE:** CONCERNING THE DISTRIBUTION TO BENEFICIARIES OF AMOUNTS IN PAY-ON-DEATH (POD) FINANCIAL INSTITUTION ACCOUNTS PURSUANT TO WRITTEN DESIGNATION IN THE RECORDS OF THE FINANCIAL INSTITUTION.

Fiscal Impact Summary	FY 2013-2014	FY 2014-2015
State Revenue		
State Expenditures	Minimal impact. See State Expenditures section.	
FTE Position Change		
<b>Effective Date:</b> Upon signature of the Governor, or upon becoming law without his signature.		
<b>Appropriation Summary for FY 2013-2014:</b> None required.		
<b>Local Government Impact:</b> None.		

## Summary of Legislation

The bill makes changes to how pay-on-death financial accounts with two or more beneficiaries may be distributed following the death of the sole or last account holder. Funds may be distributed in a non-equal manner if such an intent is provided by clear written evidence in the financial institution's records. However, in the event that any of the beneficiaries dies prior to the death of the account holder, the account reverts back to an equal distribution among the surviving beneficiaries, despite any prior evidence of a different intent.

## State Expenditures

The bill is not expected to have a significant impact on the costs of any state agency or the courts. Generally, pay-on-death accounts allow assets to avoid probate. However, it is possible that allowing non-equal distribution of funds according to the written intent of the account holder could lead to disputes among the beneficiaries. The courts could be required to hear additional cases to determine the intent of the account holder or the validity of the distribution instructions. Any increase is expected to be minimal and can be handled within existing appropriations to the Judicial Branch.

## Departments Contacted

Judicial Branch  
Revenue

Law

PERA

Regulatory Agencies