

1 **SENATE FLOOR VERSION**

2 April 8, 2025

3 ENGROSSED HOUSE
4 BILL NO. 2080

By: Blair of the House

and

Wingard of the Senate

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7
8 An Act relating to banks and trust companies;
9 amending 6 O.S. 2021, Section 2025, which relates to
10 share or deposit accounts payable on death; modifying
11 where deposits shall be made payable on death;
12 modifying where shares may be distributed to;
13 specifying accounts as share or deposit accounts;
14 modifying where funds shall be payable if sole
15 beneficiary is not living; providing for where shares
16 are divided if beneficiary dies before the account
17 owner; modifying validity of receipt requirements;
18 providing notice requirement; and providing an
19 effective date.

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

21 SECTION 1. AMENDATORY 6 O.S. 2021, Section 2025, is
22 amended to read as follows:

23 Section 2025. A. Share and deposit account proceeds that are
24 payable to a beneficiary upon the death of the account owner shall
be offered pursuant to the following provisions:

1. When shares are owned or a deposit has been made or shall
hereafter be made in any credit union using the terms "Payable on
Death" or "P.O.D.", such deposits shall be payable on the death of

1 the account owner to one or more designated P.O.D. beneficiaries, or
2 to an individual or individuals named beneficiary if living and if
3 not living, to the ~~named~~ estate of the ~~beneficiary~~ deceased account
4 holder, notwithstanding any provision to the contrary contained in
5 Sections 41 through 57 of Title 84 of the Oklahoma Statutes. Each
6 designated P.O.D. beneficiary shall be a trust, an individual, or a
7 nonprofit organization exempt from taxation pursuant to the
8 provisions of the Internal Revenue Code, 26 U.S.C., Section
9 501(c) (3);

10 2. A share or deposit account with a P.O.D. designation shall
11 constitute a contract between the account owner, (or owners, if
12 ~~there is more than one,~~) and the credit union that upon the death of
13 the last surviving owner of the account, and after payment of
14 account proceeds to any secured party with a valid security interest
15 in the account, the credit union will hold the funds for or pay ~~the~~
16 ~~funds~~ them to the named primary beneficiary or beneficiaries, if
17 living. If ~~any named~~ a primary beneficiary ~~is not living~~
18 predeceases the account owner, the share of that primary beneficiary
19 shall ~~instead be held for or paid to the estate of that deceased~~
20 ~~beneficiary unless contingent beneficiaries have been designated by~~
21 ~~the account owner as allowed by paragraph 4 of this subsection~~ be
22 distributed pursuant to either paragraph 4, 5, or 8 of this
23 subsection, whichever is applicable;

24

1 3. Each P.O.D. beneficiary designated on ~~an~~ a share or deposit
2 account shall be a primary beneficiary unless specifically
3 designated as a contingent beneficiary;

4 4. If there is only one primary P.O.D. beneficiary on ~~an~~ a
5 share or deposit account and that beneficiary is an individual, the
6 account owner may designate one or more contingent beneficiaries for
7 whom the funds shall be held or to whom the funds shall be paid if
8 the primary beneficiary is not living when the last surviving owner
9 of the account dies. If there is more than one primary P.O.D.
10 beneficiary on ~~an~~ a share or deposit account, contingent
11 beneficiaries shall not be allowed on that account;

12 5. If the ~~only~~ sole primary P.O.D. beneficiary is not living
13 and one or more contingent beneficiaries have been designated as
14 allowed by paragraph 4 of this subsection, the funds shall be held
15 for or paid to the contingent beneficiaries who are alive at the
16 time of the account owner's death in equal shares, and shall not
17 belong to the estate of the deceased primary beneficiary or the
18 estate of the deceased account holder. If neither the ~~only~~ primary
19 beneficiary ~~is not living, and a~~ nor any contingent beneficiary ~~or~~
20 ~~contingent beneficiaries have been designated as allowed by~~
21 ~~paragraph 4 of this subsection, but one or more designated~~
22 ~~contingent beneficiaries are also not living, the share that~~
23 ~~otherwise would belong to any deceased contingent beneficiary is~~
24 living at the time of the account owner's death, the funds shall

1 ~~instead be held for or paid to the estate of that deceased~~
2 ~~contingent beneficiary account owner's estate;~~

3 6. In order to designate multiple primary P.O.D. beneficiaries
4 for ~~an~~ a share or deposit account, the account should be styled as
5 follows: "(Name of Account Owner), payable on death (or P.O.D.) to
6 (Name of Beneficiary), (Name of Beneficiary), and (Name of
7 Beneficiary), in equal shares).";

8 7. If only one primary P.O.D. beneficiary has been designated
9 on ~~an~~ a share or deposit account, the account owner may add the
10 following, or words of similar meaning, in the style of the account
11 or in the account agreement: "If the designated P.O.D. beneficiary
12 is deceased, then payable on the death of the account owner to (Name
13 of Beneficiary), (Name of Beneficiary), and (Name of Beneficiary),
14 as contingent beneficiaries, in equal shares.";

15 8. Adjustments may be made in the styling, depending upon the
16 number of owners of the account, to allow for survivorship rights,
17 and the number of beneficiaries. It is to be understood that each
18 beneficiary is entitled to a proportionate share of the account
19 proceeds only after the death of the last surviving account owner,
20 and after payment of account proceeds to any secured party with a
21 valid security interest in the account. ~~In the event of the death~~
22 ~~of a beneficiary prior to the death of the account owner, the share~~
23 ~~of that beneficiary shall go to the estate of that beneficiary~~
24 ~~unless one or more contingent beneficiaries have been designated to~~

1 ~~take the place of that beneficiary as provided in paragraph 4 of~~
2 ~~this subsection.~~ All designated primary P.O.D. beneficiaries shall
3 have equal shares. All designated contingent P.O.D. beneficiaries
4 shall have equal shares as if the sole primary beneficiary is
5 deceased. In the event of the death of a beneficiary prior to the
6 death of the account owner, the share of that beneficiary shall be
7 divided among any surviving beneficiaries or distributed to
8 contingent beneficiaries pursuant to paragraphs 4 and 5 of this
9 subsection, if applicable. If no beneficiaries are alive at the
10 time of the account owner's death, the funds shall be held for, or
11 paid to, the estate of the deceased account owner;

12 9. A credit union may require the owner of an account to
13 provide an address for any primary or contingent P.O.D. beneficiary.
14 If the P.O.D. account is an interest-bearing account and the funds
15 are not claimed by the P.O.D. beneficiary or beneficiaries within
16 sixty (60) days after the death of the last surviving account
17 holder, or after the credit union has notice of the death of the
18 last surviving account holder, whichever is later, the credit union
19 has the right to convert the account to a non-interest-bearing
20 account;

21 10. No change in the designation of a named beneficiary shall
22 be valid unless executed by the owner of the fund and in the form
23 and manner prescribed by the credit union; however, this section
24 shall be subject to the provisions of Section 178 of Title 15 of the

1 Oklahoma Statutes. Until the death of the member or owner, the
2 member or owner shall possess and may exercise all rights,
3 respecting the shares or deposits, including the power to vote,
4 pledge, withdraw, in whole or in part, make additions to, and to in
5 any way deal with the shares or deposit. The receipt or acquittance
6 of the member or owner shall be a valid and sufficient release and
7 discharge of the credit union as to any payment to the member or
8 owner; and

9 11. The receipt or acquittance of the named beneficiary so
10 paid, or of the legal representative of ~~such named beneficiary's~~ the
11 account owner's estate, ~~if in the event~~ the beneficiary is deceased
12 ~~and there is no contingent beneficiary designated to take the place~~
13 ~~of that beneficiary~~ predeceased the account owner, shall be valid
14 and sufficient release and discharge to the credit union for any
15 payment so made; ~~and~~

16 ~~12. After January 1, 2008~~ Subsequent to the effective date of
17 this act, a credit union shall provide a ~~customer~~ member creating a
18 P.O.D. account with a written notice that the distribution of the
19 proceeds in the P.O.D. account shall be consistent with the
20 provisions of this section.

21 B. The provisions of this section shall apply to all forms of
22 deposit accounts including, but not limited to, share accounts,
23 transaction accounts, savings accounts, certificates of deposits,
24

1 negotiable order of withdrawal (N.O.W.) accounts, and M.M.D.A.
2 accounts.

3 SECTION 2. This act shall become effective November 1, 2025.

4 COMMITTEE REPORT BY: COMMITTEE ON JUDICIARY
5 April 8, 2025 - DO PASS
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