

# STATE OF NEW YORK

8549--A

2025-2026 Regular Sessions

## IN ASSEMBLY

May 20, 2025

Introduced by M. of A. LAVINE -- read once and referred to the Committee on Banks -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the banking law, in relation to spousal joint accounts, non-spousal accounts and convenience accounts

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Section 675 of the banking law is amended by adding a new  
2 subdivision (d) to read as follows:

3 (d) The provisions of this section shall apply to accounts established  
4 before the effective date of sections six hundred seventy-five-a and six  
5 hundred seventy-five-b of this article and which have not been modified  
6 by adding or deleting a signatory to such account on or after the effec-  
7 tive date of such sections six hundred seventy-five-a and six hundred  
8 seventy-five-b.

9 § 2. Section 678 of the banking law is amended by adding a new subdi-  
10 vision 3 to read as follows:

11 3. The provisions of this section shall apply to accounts established  
12 before the effective date of sections six hundred seventy-five-a and six  
13 hundred seventy-five-b of this article.

14 § 3. The banking law is amended by adding two new sections 675-a and  
15 675-b to read as follows:

16 § 675-a. Spousal joint deposits and shares; ownership and payment  
17 during lifetime and after the death of one of the spouses. 1. When a  
18 deposit of cash, securities or other property is made in or with any  
19 banking organization or foreign banking corporation transacting business  
20 in this state or shares are issued in any saving and loan association or  
21 credit union transacting business in this state, in an account estab-  
22 lished after the effective date of this section in the name of such  
23 depositor or shareholder and another person, and the depositor and such  
24 other person are the only parties to the account and they are spouses at

EXPLANATION--Matter in italics (underscored) is new; matter in brackets  
[-] is old law to be omitted.

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1 the time the contract, signature card or other document between them and  
2 the banking organization or foreign banking corporation is signed, or  
3 they indicate that they are spouses on such contract, signature card or  
4 other document at the time it is signed, and in form to be paid to or  
5 delivered to either of them, such deposit or shares and any additions  
6 thereto made, by either of such persons, after the making thereof, shall  
7 become the property of such persons as joint tenants with right of  
8 survivorship and the same, together with all additions and accruals  
9 thereon, shall be held for the exclusive use of the persons so named,  
10 and may be paid or delivered to either during the lifetime of both or to  
11 the survivor after the death of one of them, and such payment or deliv-  
12 ery and the receipt or acquittance of the one to whom such payment or  
13 delivery is made, shall be a valid and sufficient release and discharge  
14 to the banking organization or foreign banking corporation for all  
15 payments or deliveries made on account of such deposit or shares prior  
16 to the receipt by the banking organization or foreign banking corpo-  
17 ration of notice in writing signed by any one of such joint tenants, not  
18 to pay or deliver such deposit or shares and the additions and accruals  
19 thereon in accordance with the terms thereof, and after receipt of any  
20 such notice, the banking organization or foreign banking corporation may  
21 require the receipt or acquittance of both such joint tenants for any  
22 further payments or delivery.

23 2. The making of such deposit or the issuance of such shares in such  
24 form shall, in the absence of fraud or undue influence, be prima facie  
25 evidence, in any action or proceeding to which the banking organization,  
26 foreign banking corporation, surviving depositor or shareholder is a  
27 party, of the intention of both depositors or shareholders to create a  
28 joint tenancy and to vest title to such deposit or shares, and additions  
29 and accruals thereon, in such survivor. The burden of proof in refuting  
30 such prima facie evidence is upon the party or parties challenging the  
31 title of the survivor.

32 3. (a) The superintendent shall promulgate, and may from time to time  
33 amend, rules and regulations which require that the joint tenants of an  
34 account established on or after the date on which the rule or regulation  
35 becomes effective and representing any deposit or shares governed by the  
36 foregoing provisions of this section, shall, at the time the account is  
37 established, be informed of the terms and conditions of the account  
38 including the relationship and consequences between the parties in the  
39 account and the responsibilities of the institution with which the  
40 account is established.

41 (b) This subdivision or any rule or regulation thereunder shall not be  
42 deemed or construed as increasing or diminishing the rights or liability  
43 of any person, or other entity.

44 § 675-b. Non-spousal deposits and shares; ownership and payment during  
45 lifetime and after the death of the depositor. 1. Non-spousal accounts.

46 (a) When a deposit of cash, securities or other property is made in or  
47 with any banking organization or foreign banking corporation transacting  
48 business in this state or shares are issued in any saving and loan asso-  
49 ciation or credit union transacting business in this state, in an  
50 account established after the effective date of this section in the name  
51 of such depositor or shareholder and another person or persons, and in  
52 form to be paid or delivered to any of the depositor or other such  
53 person or persons, if none of the other persons is the spouse of the  
54 depositor, or the depositor has not indicated on the contract, signature  
55 card or other document between the depositor and the banking organiza-  
56 tion or foreign banking corporation at the time it is signed that any of

1 the other persons is the spouse of the depositor, such deposit or shares  
2 and any additions thereto or accruals thereon may be paid or delivered  
3 to either or any during the lifetime of the depositor, and such payment  
4 or delivery and the receipt or acquittance of the one to whom such  
5 payment or delivery is made, shall be a valid and sufficient release and  
6 discharge to the banking organization for all payments or deliveries  
7 made on account of such deposit or shares prior to the receipt by the  
8 banking organization of notice in writing signed by any of such persons,  
9 not to pay or deliver such deposit or shares and the additions and  
10 accruals thereon in accordance with the terms thereof, and after receipt  
11 of any such notice, the banking organization may require the receipt or  
12 acquittance of all such persons for any further payments or delivery.

13 (b) Title to the property on deposit in an account described in para-  
14 graph (a) of this subdivision or to the shares issued as described in  
15 paragraph (a) of this subdivision is solely in the depositor no matter  
16 the source of the property on deposit or used to acquire the shares or  
17 when the property was deposited or the shares acquired.

18 (c) On the death of all the other persons during the lifetime of the  
19 depositor, the payment or delivery to the depositor of any or all of the  
20 funds remaining in the account shall be a valid and sufficient release  
21 to the banking organization.

22 (d) On the death of the depositor during the lifetime of the other  
23 person or persons, the banking organization shall deliver the funds  
24 remaining in the account in accordance with the contract, signature  
25 card, or other document between the banking organization and the depos-  
26 itor governing the account, which contract, signature card, or other  
27 document shall include a provision governing the disposition of the  
28 funds remaining in the account on the death of the depositor which shall  
29 be in substantially the following form:

30 On the death of the depositor, {name}, the funds in the account shall  
31 be disposed of as follows (select one and initial):

32 As part of the estate of the depositor, {name} (the account is a  
33 convenience account)

34 To the other person or persons {names} in equal shares (the account is  
35 a survivorship account)

36 (e) If the contract, signature card, or other document does not  
37 include such a provision, or if it does and the depositor did not select  
38 one or the other alternative, the funds remaining in the account at the  
39 depositor's death shall be part of the depositor's estate.

40 2. Convenience accounts. If the depositor has designated the intention  
41 or it is conclusively presumed that the remaining funds pass as part of  
42 the depositor's estate, (a) payment or delivery to the other person or  
43 persons of any or all of the funds remaining in the account shall still  
44 be a valid and sufficient release to the banking organization if made  
45 prior to the receipt by the banking organization of written notice of  
46 the depositor's death, and (b) a banking organization which, prior to  
47 service upon it of a restraining order, injunction or other appropriate  
48 process from a court of competent jurisdiction prohibiting payment,  
49 makes payment to the executor, administrator or other qualified repre-  
50 sentative of the deceased depositor's estate, shall, to the extent of  
51 such payment, be released from liability to any person claiming a right  
52 to the funds and the receipt or acquittance of the executor, administra-  
53 tor or qualified representative to whom payment is made shall be a valid  
54 and sufficient release and discharge of the banking organization.

55 3. Survivorship accounts. If the depositor has indicated the intention  
56 that the remaining funds pass to the other person or persons by right of

1 survivorship, payment or delivery to the other person or persons of any  
2 or all of the funds remaining in the account shall be a valid and suffi-  
3 cient release to the banking organization if made prior to service upon  
4 it of a restraining order, injunction or other appropriate process from  
5 a court of competent jurisdiction prohibiting such payment.

6 4. Regulations of the superintendent. The superintendent shall promul-  
7 gate and may from time to time amend rules and regulations which require  
8 that the depositor of a joint account under this section be informed of  
9 the terms and conditions of the account, including the relationship and  
10 consequences between the parties in the account and the responsibilities  
11 of the institution with which the account is established.

12 5. Application. (a) This subdivision or any rule or regulation there-  
13 under shall not be deemed or construed as increasing or diminishing the  
14 rights or liability of any person or entity.

15 (b) The provisions of this section shall apply to accounts established  
16 on or after the effective date of this section.

17 § 4. This act shall take effect July 1, 2026. Effective immediately,  
18 the addition, amendment and/or repeal of any rule or regulation neces-  
19 sary for the implementation of this act on its effective date are  
20 authorized to be made and completed on or before such effective date.