

STATE OF NEW YORK

8549--C

2025-2026 Regular Sessions

IN ASSEMBLY

May 20, 2025

Introduced by M. of A. LAVINE, TAYLOR -- read once and referred to the Committee on Banks -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- recommitted to the Committee on Banks in accordance with Assembly Rule 3, sec. 2 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- reported and referred to the Committee on Codes -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the banking law, in relation to the establishment and administration of joint 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 not apply to accounts estab-
4 lished primarily for personal, household or family purposes after the
5 effective date of section six hundred seventy-five-a of this article or
6 modified on or after such effective date by the addition of another
7 person; provided, however, that the designation or revocation of author-
8 ity under a power of attorney shall not be deemed a modification for
9 purposes of this subdivision.

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

12 3. The provisions of this section shall not apply to accounts estab-
13 lished primarily for personal, household or family purposes after the
14 effective date of section six hundred seventy-five-a of this article or
15 modified on or after such effective date by the addition of another
16 person; provided, however, that the designation or revocation of author-
17 ity under a power of attorney shall not be deemed a modification for
18 purposes of this subdivision.

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

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§ 3. The banking law is amended by adding a new section 675-a to read as follows:

§ 675-a. Accounts involving multiple persons. 1. Definitions. For the purposes of this section, the following terms shall have the following meanings:

(a) "Account" means a consumer transaction account between one or more account owners and a state depository institution or other financial institution, pursuant to which funds or other property are deposited or held.

(b) "Account agreement" means a record, including any contract, signature card, convenience signer designation, joint account attestation, or other document, that establishes or governs the terms and conditions of an account.

(c) "Account owner" means a natural person who, pursuant to the account agreement, is identified as an account owner, and does not include a person authorized only to transact on the account as an agent or convenience signer.

(d) "Convenience signer" means a person designated by the account owner or owners in a convenience signer designation to transact on an account without any ownership interest or right of survivorship in such account, and who may only act on behalf of such account owner or owners.

(i) In addition to transacting on behalf of an account owner, a convenience signer may exercise authority with respect to an account as may be authorized by the account agreement and policies and procedures of a financial institution maintaining such account, including authority incidental to transacting on the account, provided that no such authority shall confer any ownership or beneficial interest in the sums on deposit.

(ii) The authority of a person designated as an attorney-in-fact for an account owner under a power of attorney shall take precedence over and supersede the authority of a convenience signer; such attorney-in-fact shall have the authority to remove a convenience signer designation.

(e) (i) "Convenience signer designation" means a provision in an account agreement, pursuant to which the account owner or owners may agree to authorize one or more persons to act as convenience signers with respect to the account, in substantially the following form:

"The account owner or owners may choose to name one or more "convenience signers" to make transactions on their behalf.

A convenience signer:

1. May deposit or withdraw money for the benefit of an account owner;

2. Does not own the account or the money in the account;

3. Has no right to receive the money if an account owner dies; and

4. May be removed by an account owner at any time.

If you want to name one or more convenience signers, please list them here:"

(ii) A convenience signer designation shall constitute a single, uniform designation applicable to all account owners.

(f) "State depository institution" means a banking organization, a foreign banking corporation licensed by the superintendent to transact business in this state, or an out-of-state state bank that opens or occupies a branch in this state pursuant to article five-C of this chapter.

(g) "Joint account" means an account in the name of two or more account owners.

1 (h) "Net contribution" means the sum of the deposits made by or on
2 behalf of an account owner to an account, less withdrawals made by or on
3 behalf of such account owner that have not been paid to or applied for
4 the benefit of another account owner from such account, and a propor-
5 tionate amount of any charges deducted from such account, plus a propor-
6 tionate amount of any interest or dividends earned, whether or not
7 included in the current balance.

8 (i) "Payment or transfer" means any withdrawal, disbursement, debit,
9 or other disposition of sums on deposit.

10 (j) "Personal use" means use by one or more natural persons primarily
11 for personal, family or household purposes and shall not include: (i)
12 use in connection with a partnership, joint venture, or other organiza-
13 tion for a business purpose; (ii) use by one or more persons acting in
14 an agency capacity or as a trustee for a corporation, unincorporated
15 association, or charitable or civic organization; or (iii) use in
16 connection with a fiduciary or trust relationship in which such fiduci-
17 ary or trust relationship is established other than by the account
18 agreement.

19 (k) "Personal representative" means a personal representative as
20 defined by section 1-2.13 of the estates, powers, and trusts law.

21 (l) "Sums on deposit" means the balance payable on an account, includ-
22 ing interest and dividends earned but not yet credited to the account.

23 (m) "Joint account attestation" means a provision in an account agree-
24 ment for a joint account whereby all account owners shall, by signature,
25 acknowledge their rights to such joint account in substantially the
26 following form:

27 "By signing below, we each confirm that we are joint owners of this
28 account. We understand and agree to the following:

29 1. Any of us may withdraw or spend money from this account at any
30 time, regardless of who deposited the money;

31 2. However, each of us generally owns the money we deposit into this
32 account, minus the money we withdraw;

33 3. If one of us dies, the money in this account will pass to the
34 surviving joint owner or owners; and

35 4. In a dispute about ownership of the money in this account, a court
36 may consider this document as evidence of our intentions.

37 Name all joint owners:"

38 2. Account agreements; convenience signers; reliance; competing
39 claims; liability. (a) After the effective date of this section, when a
40 deposit of funds or other property is made in or with any state depository
41 institution in an account for personal use, established in the name
42 of one or more account owners, or modified by the addition of one or
43 more account owners or convenience signers, such state depository insti-
44 tution shall establish an account agreement, which shall include, at
45 minimum:

46 (i) a clear and conspicuous option for one or more account owners to
47 designate a convenience signer in a convenience signer designation that
48 shall be executed by each such account owner and acknowledged by each
49 such convenience signer; and

50 (ii) where such account is established in the name of more than one
51 account owner or modified by the addition of one or more account owners,
52 a joint account attestation that shall be executed by each such account
53 owner.

54 (b) An account agreement, including a convenience signer designation
55 or joint account attestation, may be established electronically pursuant
56 to regulations promulgated by the superintendent.

1 (c) A convenience signer designation may be revoked upon request by
2 any account owner at any time.

3 (d) A state depository institution shall maintain an account agreement
4 required by this section for as long as such account remains open and
5 for a period of six years after it is closed.

6 (e) A state depository institution may rely in good faith on an
7 account agreement, including the joint account attestation and conven-
8 ience signer designation, and shall not be required to determine the net
9 contributions or respective ownership interests of account owners in a
10 joint account.

11 (f) Payment or transfer by a state depository institution to any
12 account owner or convenience signer named on an account pursuant to an
13 account agreement that complies with the requirements of this section
14 shall discharge such state depository institution from liability to the
15 extent of such payment or transfer, whether or not such payment or
16 transfer is consistent with the ownership interests in the sums on
17 deposit as between account owners or any other persons claiming an
18 interest therein.

19 (g) Upon receipt of written notice from an account owner or from the
20 personal representative of a deceased account owner's estate directing
21 that payment or transfer shall not be permitted, or upon service of a
22 restraining order, injunction, or other lawful order or process issued
23 by a court or other authority of competent jurisdiction prohibiting
24 payment or transfer, a state depository institution may, in good faith,
25 refuse, without liability, to make any further payment or transfer from
26 an account pending resolution of the dispute, order, or process.

27 (h) Nothing in this section shall be construed:

28 (i) to require a state depository institution to investigate or verify
29 an account owner's intent beyond the face of the account agreement;

30 (ii) to require a state depository institution to determine the valid-
31 ity or priority of competing claims to the sums on deposit;

32 (iii) to require any officer, employee, or agent of a state depository
33 institution to provide legal, tax, or estate planning advice to an
34 account owner or any other person;

35 (iv) to alter, limit or impair the rights or remedies of account
36 owners or other persons to resolve disputes between themselves, includ-
37 ing disputes concerning the ownership of the sums on deposit or any
38 payment or transfer made from an account, or any right or remedy that an
39 account owner or other person may have against another account owner or
40 other person with respect thereto;

41 (v) to alter, limit or impair the right of a state depository institu-
42 tion to exercise a lawful right of setoff; or

43 (vi) to validate or authorize any payment or transfer that is other-
44 wise unlawful, or to alter, limit or impair any right or remedy avail-
45 able under law with respect to payment or transfer resulting from fraud,
46 undue influence, elder abuse, or lack of authority.

47 (i) No officer, employee, or agent of a state depository institution
48 shall be personally liable for any act or omission taken in good faith
49 and in the ordinary course of such person's duties in connection with
50 the establishment, execution, explanation, maintenance, or implementa-
51 tion of an account agreement pursuant to this section.

52 (j) A state depository institution that fails to make commercially
53 reasonable efforts to establish, execute, or maintain an account agree-
54 ment pursuant to this section shall be deemed to have violated this
55 chapter and may be subject to civil penalties, corrective action, or
56 other enforcement measures imposed by the superintendent.

1 3. Joint accounts and convenience signers. (a) This subdivision shall
2 apply to accounts established for personal use on or after the effective
3 date of this section or modified by the addition of an account owner or
4 convenience signer on or after such effective date.

5 (b) Joint accounts and accounts with a single account owner may
6 include one or more convenience signers, as designated by all account
7 owners; provided however, any account owner may remove any convenience
8 signer from an account at any time.

9 (c) The authority of a convenience signer shall, unless otherwise
10 specified in an account agreement, be presumed to survive the disability
11 or incapacity of an account owner.

12 (d) Death of the last surviving account owner shall terminate the
13 authority of a convenience signer.

14 (e) During the lifetime of an account owner, ownership interests in
15 the sums on deposit in a joint account shall be presumed to be according
16 to such account owner's net contribution; provided however, as between
17 married account owners, in the absence of proof otherwise, the net
18 contribution of each is presumed to be an equal amount.

19 (f) The determination of ownership interests by net contribution shall
20 be presumed to apply only during the lifetime of account owners and not
21 affect the operation of survivorship upon the death of an account owner.

22 (g) No account owner shall be presumed to have made a present gift of
23 sums on deposit to another account owner solely by reason of establish-
24 ing, maintaining, or depositing funds into a joint account.

25 (h) The authority of an account owner to withdraw funds from a joint
26 account shall not determine ownership interests in the sums on deposit,
27 and any sums on deposit in a joint account may be paid or withdrawn, in
28 whole or in part, by any account owner in accordance with the terms of
29 the account agreement, without regard to the beneficial ownership of
30 such sums on deposit as between the account owners.

31 (i) Upon the death of an account owner, the deceased account owner's
32 interest in the sums on deposit in a joint account immediately prior to
33 death shall be presumed to pass by right of survivorship and vest in the
34 surviving account owner or owners, and shall not be presumed to become
35 part of such deceased account owner's estate, except as otherwise
36 provided by law.

37 (j) Title to the sums on deposit after the death of an account owner
38 shall be presumed to vest in the surviving account owner or owners in
39 equal shares, regardless of the source of the property on deposit or
40 when such property was deposited, to the extent permitted by applicable
41 law.

42 (k) Nothing in this subdivision shall be construed to alter, limit or
43 impair the rights of a beneficiary to proceeds of a life insurance poli-
44 cy, annuity contract, retirement account, or other non-probate transfer
45 payable to such beneficiary pursuant to applicable law and deposited
46 into a joint account.

47 (l) Failure to maintain or produce an account agreement or joint
48 account attestation shall not, by itself, defeat the right of survivor-
49 ship where the account was established in the names of two or more
50 account owners.

51 (m) Any payment or transfer in a joint account made by a surviving
52 account owner after the death of another account owner shall not be
53 subject to the rights of such deceased account owner's estate, and noth-
54 ing in this section shall be construed to alter, limit or impair a
55 surviving account owner's ownership interest in the sums on deposit

1 arising by right of survivorship in a joint account, except as otherwise
2 provided by law.

3 (n) A transfer resulting from the application of this section shall be
4 effective by operation of law and shall not be testamentary or subject
5 to estate administration.

6 (o) The rules governing ownership and survivorship pursuant to this
7 section may be rebutted only by clear and convincing evidence of a
8 different intent.

9 4. Regulations of the superintendent. (a) The superintendent shall
10 promulgate, and may from time to time amend, rules and regulations as
11 necessary to implement this section, including rules and regulations
12 requiring that account owners and convenience signers be provided with
13 clear information regarding the terms and conditions of accounts, the
14 legal relationship among account owners and convenience signers and the
15 role of a state depository institution or other financial institution
16 with respect to such accounts.

17 (b) Any rule or regulation promulgated pursuant to section six hundred
18 seventy-five or six hundred seventy-eight of the banking law, as such
19 sections existed immediately prior to the effective date of this
20 section, shall continue in full force and effect with respect to
21 accounts governed by such sections unless or until such accounts become
22 subject to this section, and the superintendent may amend, repeal, or
23 promulgate such rules and regulations as necessary for the continued
24 administration of such accounts.

25 5. Federal preemption. This section shall not apply to the extent that
26 it is preempted by federal law. Nothing in this section shall be
27 construed to require any act prohibited, or prohibit any act required,
28 by federal law.

29 6. Severability. If any clause, sentence, paragraph or subdivision of
30 this section shall be adjudged by any court of competent jurisdiction to
31 be invalid, such judgment shall not affect, impair, or invalidate the
32 remainder thereof, but shall be confined in its operation to the clause,
33 sentence, paragraph or subdivision thereof directly involved in the
34 controversy in which such judgment shall have been rendered. It is here-
35 by declared to be the intent of the legislature that this section would
36 have been enacted even if such invalid provisions had not been included
37 herein.

38 § 4. The superintendent of financial services shall promulgate rules
39 and regulations necessary to implement the provisions of sections one,
40 two and three of this act no later than one year after this section
41 shall have become a law.

42 § 5. This act shall take effect immediately; provided, however, that:

43 (a) sections one, two and three of this act shall take effect on the
44 earlier of:

45 (i) the one hundred eightieth day after the superintendent of finan-
46 cial services has promulgated the rules and regulations required under
47 section four of this act; or

48 (ii) eighteen months after the effective date of this act;

49 (b) the superintendent of financial services shall notify the legisla-
50 tive bill drafting commission upon the occurrence of the promulgation of
51 the rules and regulations provided for in section four of this act in
52 order that the commission may maintain an accurate and timely effective
53 data base of the official text of the laws of the state of New York in
54 furtherance of effectuating the provisions of section 44 of the legisla-
55 tive law and section 70-b of the public officers law; and

1 (c) effective immediately, the addition, amendment and/or repeal of
2 any rule or regulation necessary for the implementation of sections one,
3 two and three of this act on their effective date are authorized to be
4 made and completed on or before such effective date.