

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

SPONSOR Robinson DATE TYPED 02/16/05 HB _____

SHORT TITLE Transfer of Death Securities SB 563

ANALYST Ford

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	NFI				

(Parenthesis () Indicate Expenditure Decreases)

Duplicates
HB 656

SOURCES OF INFORMATION

LFC Files

Responses Received From

Attorney General (AGO)
Regulation and Licensing Department (RLD)

SUMMARY

Synopsis of Bill

Senate Bill 563 expands the definition of security account to include an individual's account held at trust companies and bank trust departments for the purposes of the Transfer on Death portion of the Uniform Probate Code.

Significant Issues

By including accounts held at trust companies and bank trust departments, the bill allows for the nonprobate transfer of these accounts upon the individual's death.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

This bill duplicates House Bill 656

TECHNICAL ISSUES

The AGO writes: “Those states that define ‘security account’ in statute, Colorado, Idaho, Illinois, Minnesota, Nebraska, South Dakota and Washington all use the following language for a ‘security account.’ New Mexico may want to be consistent with these other states:

“Security account means (i) a reinvestment account associated with a security, a securities account with a broker, a cash balance in a brokerage account, cash, interest, earnings, or dividends earned or declared on a security in an account, a reinvestment account, or a brokerage account, whether or not credited to the account before the owner's death, (ii) an investment management or custody account with a trust company or a trust department of a bank with trust powers, including the securities in the account, a cash balance in the account, and cash, cash equivalents, interest, earnings, or dividends earned or declared on a security in the account, whether or not credited to the account before the owner's death, or (iii) a cash balance or other property held for or due to the owner of a security as a replacement for or product of an account security, whether or not credited to the account before the owner's death.”

EF/yr