

Memorandum 85-80

Subject: Study L-601 - Estates and Trusts Code (Multiple-Party
Accounts)

At the last meeting, the Commission indicated that it wished to obtain information from the credit unions as to their experience under the Multiple-Party Accounts Law.

Attached is the draft of a letter designed to obtain this information. We present it for your consideration and revision before we send it out.

Respectfully submitted,

John H. DeMouilly
Executive Secretary

DRAFT OF LETTER

September 16, 1985

Larry Cox
Director of Government Relations
California Credit Union League
1121 "L" Street, Suite 408
Sacramento, CA 95814

Dear Larry:

You are aware that the California Law Revision Commission is drafting a new Probate Code. The new code will replace the existing Probate Code.

The California Multiple-Party Accounts Law (Probate Code §§ 5100-5407) will be reviewed by the Commission as a part of the Probate Code project. The Commission is interested in knowing the experience of the credit unions under this new law.

These are the kinds of questions we need answered. Are credit unions generally satisfied with the new law? Have they experienced any problems with particular provisions of the new law? Do they have any suggestions for revision of any of its provisions? Are credit union employees able to explain the law to customers where necessary? Were transitional problems encountered by credit unions in conducting their business when the law first became operative? Are you able to give us any observations as to how consumers view the law. One of the lawyer's present at our meeting said he understood that several credit unions have had problems with the new law, but he did not identify the particular credit unions that have had problems or the nature of their problems.

We would appreciate receiving copies of the forms that various credit unions are using under the law. Also, we would appreciate receiving any explanatory material prepared by your office or by individual credit unions.

The Commission's staff has proposed that the Multiple-Party Accounts Law be made applicable to all financial institutions. I am sure that not only the Commission but also the other financial institutions will be interested to know the experience of credit unions under the new law.

I know that you have probably planned a vacation as soon as the Legislature completes its work this year and that it will not be a small task to provide the information we have requested. But I know that I can count on you for your cooperation and assistance. We would like to receive the requested information as soon as you can conveniently put it together, hopefully not later than December 1.

Sincerely,

John H. DeMouilly
Executive Secretary
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