

approved by the board and continues to be qualified to practice under sections 148B.18 to 148B.28.

Sec. 18. Minnesota Statutes 1990, section 148B.28, subdivision 2, is amended to read:

Subd. 2. **STUDENTS.** Nothing in sections 148B.18 to 148B.28 shall be construed to prevent students enrolled in an accredited program of social work to engage in the practice of social work; ~~or to prevent social work practice by individuals preparing for licensed independent clinical social work practice under qualified supervision in a social work setting.~~

Sec. 19. **CONTESTED CASE HEARING.**

A person who applied for licensure by the board of social work under Minnesota Statutes, section 148B.23, who desires to contest the board's decision regarding the application must submit a written request for a contested case hearing to the board of social work by December 31, 1992. This time limitation applies to both applicants who were denied licensure and applicants who were licensed at a different level of licensure than they requested.

Sec. 20. **REPEALER.**

Minnesota Statutes 1990, section 148B.05, subdivision 2, is repealed.

Sec. 21. **INSTRUCTION TO REVISOR.**

In the next edition of Minnesota Statutes, the revisor shall delete the term "social work licensing board" and insert "board of social work" where found in Minnesota Statutes, sections 148B.18 to 148B.28.

Presented to the governor April 14, 1992

Signed by the governor April 17, 1992, 9:58 a.m.

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**CHAPTER 461—S.F.No. 2368**

*An act relating to probate; allowing collection of personal property by affidavit; enacting the uniform transfer on death security registration act; providing for rights of creditors and revocation of beneficiary designation by will; amending Minnesota Statutes 1990, section 168A.14, by adding a subdivision; Minnesota Statutes 1991 Supplement, section 524.3-1201; proposing coding for new law in Minnesota Statutes, chapter 524.*

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:**

New language is indicated by underline, deletions by ~~strikeout~~.

## ARTICLE 1

## Collection of Personal Property by Affidavit

Section 1. Minnesota Statutes 1990, section 168A.14, is amended by adding a subdivision to read:

Subd. 1a. The department, upon receipt of an affidavit as provided in section 524.3-1201(a), an application for a new certificate of title, and any required fee, shall issue a new certificate of title in the name of the successor as owner, listing any secured party on it. The department shall mail the certificate to the successor and shall issue any secured party a notification that the security interest has been filed.

Sec. 2. Minnesota Statutes 1991 Supplement, section 524.3-1201, is amended to read:

**524.3-1201 COLLECTION OF PERSONAL PROPERTY BY AFFIDAVIT.**

(a) Thirty days after the death of a decedent, any person indebted to the decedent or having possession of tangible personal property or an instrument evidencing a debt, obligation, stock or chose in action belonging to the decedent shall make payment of the indebtedness or deliver the tangible personal property or an instrument evidencing a debt, obligation, stock or chose in action to a person claiming to be the successor of the decedent, or a county agency with a claim authorized by section 256B.15, upon being presented a certified death certificate of the decedent and an affidavit, in duplicate, made by or on behalf of the successor stating that:

(1) the value of the entire probate estate, wherever located, less liens and encumbrances, does not exceed \$10,000;

(2) 30 days have elapsed since the death of the decedent;

(3) no application or petition for the appointment of a personal representative is pending or has been granted in any jurisdiction; and

(4) the claiming successor is entitled to payment or delivery of the property.

(b) A transfer agent of any security shall change the registered ownership on the books of a corporation from the decedent to the successor or successors upon the presentation of an affidavit as provided in subsection (a).

(c) The claiming successor or county agency shall disburse the proceeds collected under this section to any person with a superior claim under section 524.3-805 or 525.15.

(d) A motor vehicle registrar shall issue a new certificate of title in the name of the successor upon the presentation of an affidavit as provided in subsection (a).

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## ARTICLE 2

## Enactment of the Uniform TOD Security Registration Act

## ARTICLE 6

## Part 3

## UNIFORM TOD SECURITY REGISTRATION ACT

## Section 1. [524.6-301] DEFINITIONS.

In this part:

(1) "Beneficiary form" means a registration of a security which indicates the present owner of the security and the intention of the owner regarding the person who will become the owner of the security upon the death of the owner.

(2) "Register," including its derivatives, means to issue a certificate showing the ownership of a certificated security or, in the case of an uncertificated security, to initiate or transfer an account showing ownership of securities.

(3) "Registering entity" means a person who originates or transfers a security title by registration, and includes a broker maintaining security accounts for customers and a transfer agent or other person acting for or as an issuer of securities.

(4) "Security" means a share, participation, or other interest in property, in a business, or in an obligation of an enterprise or other issuer, and includes a certificated security, an uncertificated security, and a security account.

(5) "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, or (ii) 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.

Sec. 2. [524.6-302] REGISTRATION IN BENEFICIARY FORM; SOLE OR JOINT TENANCY OWNERSHIP.

Only individuals whose registration of a security shows sole ownership by one individual or multiple ownership by two or more with right of survivorship, rather than as tenants in common, may obtain registration in beneficiary form. Multiple owners of a security registered in beneficiary form hold as joint tenants with right of survivorship, as tenants by the entireties, or as owners of community property held in survivorship form, and not as tenants in common.

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**Sec. 3. [524.6-303] REGISTRATION IN BENEFICIARY FORM; APPLICABLE LAW.**

A security may be registered in beneficiary form if the form is authorized by this or a similar statute of the state of organization of the issuer or registering entity, the location of the registering entity's principal office, the office of its transfer agent or its office making the registration, or by this or a similar statute of the law of the state listed as the owner's address at the time of registration. A registration governed by the law of a jurisdiction in which this or similar legislation is not in force or was not in force when a registration in beneficiary form was made is nevertheless presumed to be valid and authorized as a matter of contract law.

**Sec. 4. [524.6-304] ORIGINATION OF REGISTRATION IN BENEFICIARY FORM.**

A security, whether evidenced by certificate or account, is registered in beneficiary form when the registration includes a designation of a beneficiary to take the ownership at the death of the owner or the deaths of all multiple owners.

**Sec. 5. [524.6-305] FORM OF REGISTRATION IN BENEFICIARY FORM.**

Registration in beneficiary form may be shown by the words "transfer on death" or the abbreviation "TOD," or by the words "pay on death" or the abbreviation "POD," after the name of the registered owner and before the name of a beneficiary.

**Sec. 6. [524.6-306] EFFECT OF REGISTRATION IN BENEFICIARY FORM.**

The designation of a TOD beneficiary on a registration in beneficiary form has no effect on ownership until the owner's death. A registration of a security in beneficiary form may be canceled or changed at any time by the sole owner or all then surviving owners without the consent of the beneficiary.

**Sec. 7. [524.6-307] OWNERSHIP ON DEATH OF OWNER.**

On death of a sole owner or the last to die of all multiple owners, ownership of securities registered in beneficiary form passes to the beneficiary or beneficiaries who survive all owners. On proof of death of all owners and compliance with any applicable requirements of the registering entity, a security registered in beneficiary form may be reregistered in the name of the beneficiary or beneficiaries who survive the death of all owners. Until division of the security after the death of all owners, multiple beneficiaries surviving the death of all owners hold their interests as tenants in common. If no beneficiary survives the death of all owners, the security belongs to the estate of the deceased sole owner or the estate of the last to die of all multiple owners.

**Sec. 8. [524.6-3075] RIGHTS OF CREDITORS.**

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A registration in beneficiary form is not effective against an estate of a deceased sole owner or a deceased last to die of multiple owners to transfer to a beneficiary or beneficiaries sums needed to pay debts, taxes, and expenses of administration, including statutory allowances to the surviving spouse, minor children, and dependent children, if other assets of the estate are insufficient. A TOD beneficiary in whose name a security is registered after the death of the owner is liable to account to the deceased owner's personal representative for securities so registered or their proceeds to the extent necessary to discharge such claims and charges remaining unpaid after the application of the assets of the decedent's estate. A proceeding to assert this liability may not be commenced unless the personal representative has received a written demand by a surviving spouse, a creditor, or one acting for a minor dependent child of the decedent, and a proceeding may not be commenced later than two years following the death of the decedent. A beneficiary against whom the proceeding is brought may elect to transfer to the personal representative the security registered in the name of the beneficiary after the death of the deceased owner if the beneficiary still owns the security, or the net proceeds received by the beneficiary upon disposition of the security by the beneficiary, and that transfer fully discharges the beneficiary from all liability under this section. Amounts or securities recovered by the personal representative must be administered as part of the deceased owner's estate.

This section does not affect the right of a registering entity to register a security in the name of the beneficiary, or make a registering entity liable to the estate of a deceased owner, except for a reregistration after a registering entity has received written notice from any claimant to an interest in the security objecting to implementation of a registration in beneficiary form.

**Sec. 9. [524.6-308] PROTECTION OF REGISTERING ENTITY.**

(a) A registering entity is not required to offer or to accept a request for security registration in beneficiary form. If a registration in beneficiary form is offered by a registering entity, the owner requesting registration in beneficiary form assents to the protections given to the registering entity by this part.

(b) By accepting a request for registration of a security in beneficiary form, the registering entity agrees that the registration will be implemented on death of the deceased owner as provided in this part.

(c) A registering entity is discharged from all claims to a security by the estate, creditors, heirs, or devisees of a deceased owner if it registers a transfer of the security in accordance with section 524.6-307 and does so in good faith reliance (i) on the registration, (ii) on this part, and (iii) on information provided to it by affidavit of the personal representative of the deceased owner, or by the surviving beneficiary or by the surviving beneficiary's representatives, or other information available to the registering entity. The protections of this part do not extend to a reregistration or payment made after a registering entity has received written notice from any claimant to any interest in the security objecting to implementation of a registration in beneficiary form. No other notice or

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other information available to the registering entity affects its right to protection under this part.

(d) The protection provided by this part to the registering entity of a security does not affect the rights of beneficiaries in disputes between themselves and other claimants to ownership of the security transferred or its value or proceeds.

**Sec. 10. [524.6-309] NONTESTAMENTARY TRANSFER ON DEATH.**

(a) A transfer on death resulting from a registration in beneficiary form is effective by reason of the contract regarding the registration between the owner and the registering entity and this part and is not testamentary.

(b) This part does not limit the rights of creditors of security owners against beneficiaries and other transferees under other laws of this state.

**Sec. 11. [524.6-3095] REVOCATION OF BENEFICIARY DESIGNATION BY WILL.**

A registration in beneficiary form may be canceled by specific reference to the security or the securities account in the will of the sole owner or the last to die of multiple owners, but the terms of the revocation are not binding on the registering entity unless it has received written notice from any claimant to an interest in the security objecting to implementation of a registration in beneficiary form prior to the registering entity reregistering the security. If the beneficiary designation is canceled, the security belongs to the estate of the deceased sole owner or the estate or the last to die of all multiple owners.

**Sec. 12. [524.6-310] TERMS, CONDITIONS, AND FORMS FOR REGISTRATION.**

(a) A registering entity offering to accept registrations in beneficiary form may establish the terms and conditions under which it will receive requests (i) for registrations in beneficiary form, and (ii) for implementation of registrations in beneficiary form, including requests for cancellation of previously registered TOD beneficiary designations and requests for reregistration to effect a change of beneficiary. The terms and conditions so established may provide for proving death, avoiding or resolving any problems concerning fractional shares, designating primary and contingent beneficiaries, and substituting a named beneficiary's descendants to take in the place of the named beneficiary in the event of the beneficiary's death. Substitution may be indicated by appending to the name of the primary beneficiary the letters LDPS, standing for "lineal descendants per stirpes." This designation substitutes a deceased beneficiary's descendants who survive the owner for a beneficiary who fails to so survive, the descendants to be identified and to share in accordance with the law of the beneficiary's domicile at the owner's death governing inheritance by descendants of an intestate. Other forms of identifying beneficiaries who are to take on one or more contingencies, and rules for providing proofs and assurances needed to satisfy reasonable concerns by registering entities regarding conditions and identities relevant to accu-

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rate implementation of registrations in beneficiary form, may be contained in a registering entity's terms and conditions.

(b) The following are illustrations of registrations in beneficiary form which a registering entity may authorize:

(1) Sole owner-sole beneficiary: John S. Brown TOD (or POD) John S. Brown Jr.

(2) Multiple owners-sole beneficiary: John S. Brown Mary B. Brown JT TEN TOD John S. Brown Jr.

(3) Multiple owners-primary and secondary (substituted) beneficiaries: John S. Brown Mary B. Brown JT TEN TOD John S. Brown Jr. SUB BENE Peter Q. Brown or John S. Brown Mary B. Brown JT TEN TOD John S. Brown Jr. LDPS.

#### Sec. 13. [524.6-311] APPLICATION.

Sections 1 to 13 apply to registrations of securities in beneficiary form made before, on, or after the effective date of sections 1 to 13 by decedents dying on or after the effective date.

#### Sec. 14. EFFECTIVE DATE.

This act is effective June 1, 1992.

Presented to the governor April 14, 1992

Signed by the governor April 15, 1992, 1:25 p.m.

### CHAPTER 462—S.F.No. 2389

*An act relating to natural resources; allowing use of alternative rulemaking procedures for certain rules of the commissioner of natural resources; regulating activities relating to stromatolites; changing definitions; modifying provisions relating to game refuges, scientific and natural areas, experimental waters, and special management waters; expanding certain authorities relating to deer licenses; exempting certain rules of the commissioner from the administrative procedure act; allowing nonmetal tags for fish nets; authorizing rulemaking; amending Minnesota Statutes 1990, sections 86A.05, subdivision 5; 97A.015, subdivisions 15 and 40; 97A.085, subdivisions 2, 3, 4, 5, 8, and by adding a subdivision; 97A.411, subdivision 3; 97A.485, subdivision 9; 97C.001; 97C.005; 97C.351; and 103G.615, subdivision 3; Minnesota Statutes 1991 Supplement, sections 14.29, subdivision 4; and 97A.093; and Laws 1991, chapter 259, section 25, as amended; proposing coding for new law in Minnesota Statutes, chapter 84.*

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

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