
ASSEMBLY BILL NO. 243—ASSEMBLYMAN MARVEL

MARCH 21, 2005

Referred to Committee on Judiciary

SUMMARY—Revises definition of “securities account” for purposes of Uniform TOD Security Registration Act to include investment management or custody accounts with trust company or trust division of bank. (BDR 10-809)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

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EXPLANATION – Matter in **bolded italics** is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to estates in property; revising the definition of “securities account” for the purposes of the Uniform TOD Security Registration Act; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

- 1 Under existing law, certain security and brokerage accounts may have
2 beneficiary designations that take effect upon the death of the owner, pursuant to
3 the Uniform Transfer on Death Security Registration Act. (NRS 111.480-111.650)
4 This bill adds investment management and custody accounts held by a trust
5 company or by the trust division of a bank to the securities that may be transferred
6 pursuant to the Act.
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THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- 1 **Section 1.** NRS 111.540 is hereby amended to read as follows:
2 111.540 “Security” means a share, participation or other
3 interest in property, in a business or in an obligation of an enterprise
4 or other issuer. The term includes a certificated security, an
5 uncertificated security and a securities account. As used in this
6 section, “securities account” means:



- 1 1. A reinvestment account associated with a security, a
2 securities account with a broker, a cash balance in a brokerage
3 account, cash, *cash equivalents*, interest, earnings or dividends
4 earned or declared on a security in a securities account, a
5 reinvestment account or a brokerage account, whether or not
6 credited to the account before the owner's death; ~~for~~
- 7 2. *An investment management or custody account with a trust*
8 *company or a trust division of a bank with trust powers, including*
9 *the securities in the account, a cash balance in the account, cash,*
10 *cash equivalents, interest, earnings or dividends earned or*
11 *declared on a security in the account, whether or not credited to*
12 *the account before the owner's death; or*
- 13 3. A cash balance or other property held for or due to the
14 owner of a security as a replacement for or product of a security
15 held in a securities account, whether or not credited to the account
16 before the owner's death.

