



Register
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REGISTER OF WILLS

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Legal Information on HB 513

Summary:

How financial institutions handle small deposit accounts after the death of an account holder. Banks and similar institutions *must* release up to **\$10,000** if requirements are met.

Who Can Receive the Money:

Funds may be paid to one of the following family members (in this order of preference):

1. Spouse
2. Child
3. Father or Mother
4. Sister or Brother

Requirements to Claim the Money:

To receive the money, the family member must provide either:

- A **receipted funeral bill**, or
- An **affidavit** from a licensed funeral director stating that arrangements have been made to pay for funeral services.

Legal Protection for Banks:

Banks or credit unions that follow this process are legally protected as if they paid the money to an estate representative. They are **not responsible** for how the money is used. However, the person who receives the money may be held responsible if it is distributed improperly.

* This is NOT legal advice, but rather legal information that may be useful when dealing with the death of a loved one.

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 513 Session of
2013

INTRODUCED BY STEVENSON, BAKER, HEFFLEY, M. K. KELLER, BROOKS,
HENNESSEY, AUMENT, CUTLER, D. COSTA, GINGRICH, MARSHALL,
MILLARD, LONGIETTI, BLOOM, MAJOR, TALLMAN, KORTZ, KAUFFMAN,
FLECK, MACKENZIE, C. HARRIS, MOUL, OBERLANDER, PICKETT,
R. MILLER, CLYMER, MARSICO, READSHAW, SWANGER, DeLUCA, HESS,
ROCK, GRELL, WATSON, GILLEN, HARHART, FARRY, MURT, DENLINGER,
GIBBONS, QUINN, CALTAGIRONE, REGAN AND ENGLISH,
FEBRUARY 5, 2013

AS AMENDED ON THIRD CONSIDERATION, IN SENATE, JUNE 26, 2013

AN ACT

1 Amending Title 20 (Decedents, Estates and Fiduciaries) of the
2 Pennsylvania Consolidated Statutes, further providing for
3 PAYMENTS TO FAMILY AND FUNERAL DIRECTORS, FOR settlement of <--
4 small estates on petition and for estates not exceeding
5 \$25,000.

6 The General Assembly of the Commonwealth of Pennsylvania
7 hereby enacts as follows:

8 Section 1. Sections 3101(B) AND (C), 3102 and 3531 of Title <--
9 20 of the Pennsylvania Consolidated Statutes are amended to

10 read:

11 § 3101. PAYMENTS TO FAMILY AND FUNERAL DIRECTORS. <--

12 * * *

13 (B) DEPOSIT ACCOUNT.--ANY BANK, SAVINGS ASSOCIATION, SAVINGS
14 AND LOAN ASSOCIATION, BUILDING AND LOAN ASSOCIATION, CREDIT
15 UNION OR OTHER SAVINGS ORGANIZATION, AT ANY TIME AFTER THE DEATH
16 OF A DEPOSITOR, MEMBER OR CERTIFICATE HOLDER, [MAY] SHALL PAY

1 THE AMOUNT ON DEPOSIT OR REPRESENTED BY THE CERTIFICATE, WHEN
2 THE TOTAL STANDING TO THE CREDIT OF THE DECEDENT IN THAT
3 INSTITUTION DOES NOT EXCEED [\$3,500] \$10,000, TO THE SPOUSE, ANY
4 CHILD, THE FATHER OR MOTHER OR ANY SISTER OR BROTHER (PREFERENCE
5 BEING GIVEN IN THE ORDER NAMED) OF THE DECEASED DEPOSITOR,
6 MEMBER OR CERTIFICATE HOLDER, PROVIDED THAT A RECEIPTED FUNERAL
7 BILL OR AN AFFIDAVIT, EXECUTED BY A LICENSED FUNERAL DIRECTOR
8 WHICH SETS FORTH THAT SATISFACTORY ARRANGEMENTS FOR PAYMENT OF
9 FUNERAL SERVICES HAVE BEEN MADE, IS PRESENTED. ANY BANK,
10 ASSOCIATION, UNION OR OTHER SAVINGS ORGANIZATION MAKING SUCH A
11 PAYMENT SHALL BE RELEASED TO THE SAME EXTENT AS IF PAYMENT HAD
12 BEEN MADE TO A DULY APPOINTED PERSONAL REPRESENTATIVE OF THE
13 DECEDENT AND IT SHALL NOT BE REQUIRED TO SEE TO THE APPLICATION
14 THEREOF. ANY PERSON TO WHOM PAYMENT IS MADE SHALL BE ANSWERABLE
15 THEREFOR TO ANYONE PREJUDICED BY AN IMPROPER DISTRIBUTION.

16 (C) PATIENT'S CARE ACCOUNT.--WHEN THE DECEDENT WAS A
17 QUALIFIED RECIPIENT OF MEDICAL ASSISTANCE FROM THE DEPARTMENT OF
18 PUBLIC WELFARE, THE FACILITY IN WHICH HE WAS A PATIENT MAY MAKE
19 PAYMENT OF FUNDS, IF ANY, REMAINING IN THE PATIENT'S CARE
20 ACCOUNT, FOR THE DECEDENT'S BURIAL EXPENSES TO A LICENSED
21 FUNERAL DIRECTOR IN AN AMOUNT NOT EXCEEDING [\$3,500] \$10,000
22 WHETHER OR NOT A PERSONAL REPRESENTATIVE HAS BEEN APPOINTED.
23 AFTER THE PAYMENT OF DECEDENT'S BURIAL EXPENSES, THE FACILITY
24 MAY PAY THE BALANCE OF DECEDENT'S PATIENT'S CARE ACCOUNT, AS
25 LONG AS THE PAYMENTS INCLUDING THE PAYMENT FOR BURIAL EXPENSES
26 DOES NOT EXCEED [\$4,000] \$10,000, TO THE SPOUSE, ANY CHILD, THE
27 FATHER OR MOTHER OR ANY SISTER OR BROTHER (PREFERENCE BEING
28 GIVEN IN THE ORDER NAMED) OF THE DECEASED PATIENT. ANY FACILITY
29 MAKING SUCH A PAYMENT SHALL BE RELEASED TO THE SAME EXTENT AS IF
30 PAYMENT HAD BEEN MADE TO A DULY APPOINTED PERSONAL

1 REPRESENTATIVE OF THE DECEDENT AND IT SHALL NOT BE REQUIRED TO
2 SEE TO THE APPLICATION THEREOF. ANY LICENSED FUNERAL DIRECTOR OR
3 OTHER PERSON TO WHOM PAYMENT IS MADE SHALL BE ANSWERABLE
4 THEREFOR TO ANYONE PREJUDICED BY AN IMPROPER DISTRIBUTION.

5 * * *

6 § 3102. Settlement of small estates on petition.

7 When any person dies domiciled in the Commonwealth owning
8 property (exclusive of real estate and of property payable under
9 section 3101 (relating to payments to family and funeral
10 directors), but including personal property claimed as the
11 family exemption) of a gross value not exceeding [\$25,000]
12 \$50,000, the orphans' court division of the county wherein the
13 decedent was domiciled at the time of his death, upon petition
14 of any party in interest, in its discretion, with or without
15 appraisement, and with such notice as the court shall direct,
16 and whether or not letters have been issued or a will probated,
17 may direct distribution of the property (including property not
18 paid under section 3101) to the parties entitled thereto. The
19 authority of the court to award distribution of personal
20 property under this section shall not be restricted because of
21 the decedent's ownership of real estate, regardless of its
22 value. The decree of distribution so made shall constitute
23 sufficient authority to all transfer agents, registrars and
24 others dealing with the property of the estate to recognize the
25 persons named therein as entitled to receive the property to be
26 distributed without administration, and shall in all respects
27 have the same effect as a decree of distribution after an
28 accounting by a personal representative. Within one year after
29 such a decree of distribution has been made, any party in
30 interest may file a petition to revoke it because an improper

1 distribution has been ordered. If the court shall find that an
2 improper distribution has been ordered, it shall revoke the
3 decree and shall direct restitution as equity and justice shall
4 require.

5 § 3531. Estates not exceeding [\$25,000] \$50,000.

6 When the gross real and personal estate of a decedent does
7 not exceed the value of [\$25,000] \$50,000, the personal
8 representative, after the expiration of one year from the date
9 of the first complete advertisement of the grant of letters, may
10 present his petition to the court with an annexed account
11 showing the administration of the estate, the distribution
12 theretofore made and suggesting the proper distribution of the
13 estate not theretofore distributed. Thereupon, the court, upon
14 satisfactory proof of notice to all known parties in interest,
15 may approve the distribution theretofore made and order
16 distribution of the assets not theretofore distributed and
17 discharge the personal representative and his sureties from
18 future liability without the expense of proceedings as in a
19 formal account. The court may discharge only the surety from
20 future liability, and may allow the personal representative to
21 continue without surety upon condition that no further assets
22 shall come into the possession of the personal representative
23 until he files another bond, with sufficient surety, as required
24 by the register.

25 Section 2. The amendment of 20 Pa.C.S. §§ 3101(B) AND (C), <--
26 3102 and 3531 shall apply to estates of decedents dying on or
27 after the effective date of this section.

28 Section 3. This act shall take effect in 60 days.