

COUNCIL OF THE DISTRICT OF COLUMBIA

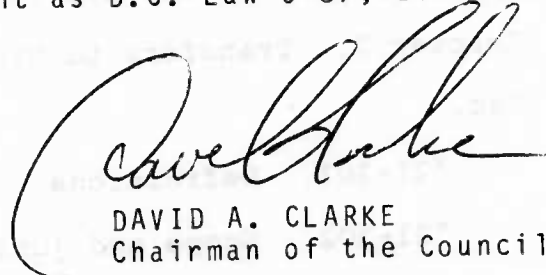
NOTICE

D.C. LAW 6-87

"District of Columbia Uniform Transfers to Minors Act".

Pursuant to Section 412 of the District of Columbia Self-Government and Governmental Reorganization Act, P. L. 93-198, "the Act", the Council of the District of Columbia adopted Bill No. 6-58 on first and second readings, November 19, 1985, and December 3, 1985, respectively. Following the signature of the Mayor on December 30, 1985, this legislation was assigned Act No. 6-115, published in the January 17, 1986, edition of the D.C. Register, (Vol. 33 page 278) and transmitted to Congress on January 7, 1986 for a 30-day review, in accordance with Section 602 (c)(1) of the Act.

The Council of the District of Columbia hereby gives notice that the 30-day Congressional Review Period has expired, and therefore, cites this enactment as D.C. Law 6-87, effective March 12, 1986.



DAVID A. CLARKE
Chairman of the Council

Dates Counted During the 30-day Congressional Review Period:

January	21,22,23,24,27,28,29,30,31
February	3,4,5,6,7,18,19,20,21,24,25,26,27,28
March	3,4,5,6,7,10,11

D.C. LAW 6 - 87

EFFECTIVE DATE MAR 12 1986

AN ACT

D.C. ACT 6 - 115

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

DEC 30 1985

To amend title 21 of the D.C. Code to revise, improve, and make uniform the laws of the District governing transfers to minors.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA,
That this act may be cited as the "District of Columbia
Uniform Transfers to Minors Act".

Sec. 2. Title 21 of the District of Columbia Code is amended as follows:

(a) Chapter 3 is amended to read as follows:

"Chapter 3. Transfers to Minors; Uniform Law.

"Sec.

"21-301. Definitions.

"21-302. Scope and jurisdiction.

"21-303. Nomination of custodian.

"21-304. Transfer by gift or exercise of power of appointment.

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"21-306. Other transfer by fiduciary.

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(1986 supp.

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"21-319. Accounting by and determination of liability of custodian.

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"21-322. Effect of existing custodianship.

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"Sec. 21-301. Definitions.

"For purposes of this chapter the term:

New,
D.C. Code,
sec. 21-301
(1986 supp.)

"(1) 'Adult' means an individual who has attained the age of 18 years.

"(2) 'Benefit plan' means an employer's plan for the benefit of an employee or a partner.

"(3) 'Broker' means a person lawfully engaged in the business of effecting transactions in securities or commodities for the person's own account or for the account of others.

"(4) 'Conservator' means a person appointed or qualified by a court to act as general, limited, or temporary guardian of a minor's property or a person legally authorized to perform substantially the same functions.

"(5) 'Court' means the Superior Court of the District of Columbia.

"(6) 'Custodial property' means 1 of the following:

"(A) Any interest in property transferred to a custodian under this chapter; and

"(B) The income from and the proceeds of that interest in property.

"(7) 'Custodian' means a person so designated under section 21-309 or a successor or substitute custodian designated under section 21-318.

"(8) 'District' means the District of Columbia.

"(9) 'Financial institution' means a bank, trust company, savings institution, or credit union, chartered and supervised under state or federal law.

"(10) 'Legal representative' means an

individual's personal representative or conservator.

"(11) 'Member of the minor's family' means the minor's parent, step-parent, spouse, grandparent, brother, sister, uncle, or aunt, whether of the whole or half blood or by adoption.

"(12) 'Minor' means an individual who has not reached the age of 18 years.

"(13) 'Person' means an individual, a corporation, an organization, or other legal entity.

"(14) 'Personal representative' means an executor, administrator, successor personal representative, or special administrator of a decedent's estate or a person legally authorized to perform substantially the same functions.

"(15) 'State' includes any state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and a territory or possession subject to the legislative authority of the United States.

"(16) 'Transfer' means a transaction that creates custodial property under section 21-309.

"(17) 'Transferor' means a person who makes a transfer under this act.

"(18) 'Trust company' means a financial institution, a corporation, or other legal entity authorized to exercise general trust powers.

"Sec. 21-302. Scope and jurisdiction.

"(a) This chapter applies to a transfer that refers to this act in the designation under section 21-309(a) by which

New,
D.C. Code,
sec. 21-302
(1986 supp.)

the transfer is made if at the time of the transfer, the transferor, the minor, or the custodian is a resident of the District or the custodial property is located in the District. The custodianship so created remains subject to this chapter despite a subsequent change in residence of a transferor, the minor or the custodian, or despite the removal of custodial property from the District.

"(b) A person designated as custodian under this chapter is subject to personal jurisdiction in the District with respect to any matter relating to the custodianship.

"(c) A transfer that purports to be made and which is valid under the Uniform Transfers to Minors Act, the Uniform Gifts to Minors Act, or a substantially similar act, of another state is governed by the law of the designated state and may be executed and is enforceable in the District if, at the time of the transfer, the transferor, the minor, or the custodian is a resident of the designated state or the custodial property is located in the designated state.

"Sec. 21-303. Nomination of custodian.

"(a) A person having the right to designate the recipient of property transferable upon the occurrence of a future event may revocably nominate a custodian to receive the property for a minor beneficiary upon the occurrence of the event by naming the custodian followed in substance by the words: 'as custodian for _____ [name of minor] under the District of Columbia Uniform Transfers to Minors Act.' The nomination may name 1 or more persons as substitute custodians to whom the property must be

New,
D.C. Code,
sec. 21-303
(1986 supp.)

transferred, in the order named, if the first nominated custodian dies before the transfer or is unable, declines, or is ineligible to serve. The nomination may be made in a will, a trust, a deed, an instrument exercising a power of appointment, or in a writing designating a beneficiary of contractual rights which is registered with or delivered to the payor, the issuer, or other obligor of the contractual rights.

"(b) A custodian nominated under this section must be a person to whom a transfer of property of that kind may be made under section 21-309(a).

"(c) The nomination of a custodian under this section does not create custodial property until the nominating instrument becomes irrevocable or a transfer to the nominated custodian is completed under section 21-309. Unless the nomination of a custodian has been revoked, upon the occurrence of the future event the custodianship becomes effective and the custodian shall enforce a transfer of the custodial property pursuant to section 21-309.

"Sec. 21-304. Transfer by gift or exercise of power of appointment.

New,
D.C. Code,
sec. 21-304
(1986 supp.

"A person may make a transfer by irrevocable gift to, or the irrevocable exercise of a power of appointment in favor of, a custodian for the benefit of a minor pursuant to section 21-309.

"Sec. 21-305. Transfer authorized by will or trust.

New,
D.C. Code,
sec. 21-305
(1986 supp.

"(a) A personal representative or trustee may make an irrevocable transfer pursuant to section 21-309 to a

custodian for the benefit of a minor as authorized in the governing will or trust, subject to the authority of the court under section 20-1106.

"(b) If the testator or the settlor has nominated a custodian under section 21-303 to receive the custodial property, the transfer must be made to that person.

"(c) If the testator or the settlor has not nominated a custodian under section 21-303 or if all persons so nominated die before the transfer or are unable, decline, or are ineligible to serve, the personal representative or the trustee shall designate a custodian from among those eligible to serve as custodian for property of that kind under section 21-309(a).

"Sec. 21-306. Other transfers by fiduciary.

"(a) Subject to subsection (c) of this section, a personal representative or trustee may make an irrevocable transfer to another adult or to a trust company, as custodian, for the benefit of a minor pursuant to section 21-309, in the absence of a will or under a will or trust that does not contain an authorization to do so.

"(b) Subject to subsection (c) of this section, a conservator may make an irrevocable transfer to another adult or to a trust company, as custodian, for the benefit of the minor pursuant to section 21-309.

"(c) A transfer under subsection (a) or (b) of this section may be made only if the following occur:

"(1) The personal representative, the trustee, or the conservator considers the transfer to be in the best

New,
D.C. Code,
sec. 21-306
(1986 supp.)

interests of the minor;

"(2) The transfer is not prohibited by or inconsistent with the provisions of the applicable will, trust agreement, or other governing instrument; and

"(3) The transfer is authorized by the court if it exceeds \$10,000 in value.

"Sec. 21-307. Transfer by obligor.

New,
D.C. Code,
sec. 21-307
(1986 supp.)

"(a) Subject to subsection (b) and (c) of this section, a person not subject to section 21-305 or 21-306 and who holds property of or owes a liquidated debt to a minor not having a conservator may make an irrevocable transfer to a custodian for the benefit of the minor pursuant to section 21-309.

"(b) If a person having the right to do so under section 21-303 has nominated a custodian under that section to receive the custodial property, then the transfer must be made to that person.

"(c) If no custodian has been nominated under section 21-303, or if all persons so nominated as custodian die before the transfer or are unable, decline, or are ineligible to serve, then a transfer under this section may be made to an adult member of the minor's family or to a trust company unless the property exceeds \$10,000 in value.

"Sec. 21-308. Receipt for custodial property.

New,
D.C. Code,
sec. 21-308
(1986 supp.)

"A written acknowledgement of delivery by a custodian constitutes a sufficient receipt and discharge for custodial property transferred under this act.

"Sec. 21-309. Manner of creating custodial property

New,
D.C. Code,
sec. 21-309
(1986 supp.)