

Subject Uniform Special Deposits Act

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Overview

This bill is based off a Uniform Law Commission model bill, the Uniform Special Deposits Act. A special deposit is a bank deposit that is intended for a person or purpose but is paid out based on the occurrence of an event. As of 2025, the Uniform Special Deposits Act has been adopted in law by Colorado, Delaware, Nebraska, North Dakota, Oklahoma, Utah, and Washington.

Summary

Section	Description
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| 1 | Title.
Provides the title to these sections of law may be referred to as the “Uniform Special Deposits Act.” |
| 2 | Definitions.
Provides definitions related to the application of the bill sections. |
| 3 | Scope; choice of law; forum.
Provides the scope for the application of the law to deposits in this state. |
| 4 | Variation by agreement of amendment.
Provides that sections of the bill will be applicable to special deposits even if the terms of an agreement are not consistent with the law. |
| 5 | Requirements of special deposits.
Provides the required elements to make a bank deposit a special deposit and trigger the application of these sections. |

Section	Description
6	Permissible purpose. Requires a special deposit to serve a permissible purpose and specifies when the sections of this bill would apply.
7	Payment to beneficiary by bank. Requires payment to beneficiary when there are funds to do so, or to divide available funds pro rata when there is more than one beneficiary.
8	Property interest of depositor or beneficiary. Provides that neither the depositor nor the beneficiary has a property interest in the deposit but instead has the right to receive payment based on the terms of the deposit.
9	When creditor process enforceable against bank. Provides guidance on when a bank can act on an attachment, garnishment, or lien seeking the special deposit.
10	Injunction or similar relief. Allows a court to prevent the payment to a depositor or beneficiary if there is fraud related to the deposit.
11	Recoupment or set off. Allows a bank to recoup fees from a special deposit account under certain circumstances.
12	Duties and liability of bank. Provides that special deposit accounts do not trigger a fiduciary duty and that the bank and beneficiary, at the time the deposit becomes owed, is a debtor-creditor relationship. A beneficiary can sue for damages if the bank does not pay the beneficiary when the money is owed.
13	Term and termination. Ends a special deposit after five years and provides where funds go when the special deposit terminates.
14	Principles of law and equity. Provides that other sections of law apply to the sections of law in this bill except when they are inconsistent with this section of law.

Section	Description
15	Uniformity of application and construction. Requires the court to try to apply these sections consist with other states who have passed this uniform law.
16	Transitional provision. Provides that these sections apply to special deposits made on or after August 1, 2025, and to deposits made before that date when everyone agrees to apply the new law and updates the terms of any agreements related to the deposit.



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