

ASSEMBLY, No. 1910

STATE OF NEW JERSEY

INTRODUCED MAY 6, 1996

By Assemblymen CARROLL, GARRETT, Assemblywoman  
Myers and Assemblyman Gregg

1 AN ACT concerning certain investments by surrogates and amending  
2 N.J.S.3B:15-16.

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4 **BE IT ENACTED** *by the Senate and General Assembly of the State*  
5 *of New Jersey:*

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7 1. N.J.S.3B:15-16 is amended to read as follows:

8 3B:15-16. Deposit and investment

9 Where the estate of a minor for whom a guardian has been or is to  
10 be appointed by a surrogate, consists of or is likely to consist of the  
11 proceeds of a judgment recovered in favor of the minor in any court  
12 of this State, the court, on application of the guardian or a person  
13 entitled to be appointed as guardian, by its order may dispense with  
14 the giving of a bond by the guardian where the order directs that the  
15 moneys be paid into the Superior Court for the benefit of the minor  
16 and that the moneys, or any part thereof, shall be deposited to the  
17 credit of the court in an interest-bearing account in, or in  
18 interest-bearing certificates of deposit of, a responsible bank, savings  
19 bank or trust company, or in an account in, or in interest-bearing  
20 certificates of deposit of, any savings and loan association of this  
21 State, or any federal savings and loan association, having its principal  
22 office in this State, the accounts of which are insured by the Federal  
23 **[Savings and Loan] Deposit** Insurance Corporation, designated by the  
24 court. Such monies may also be deposited to the credit of the court  
25 in an account with any person designated by the court who is  
26 authorized by law to invest monies in insured instruments and who  
27 maintains an office in this State.

28 (cf: N.J.S. 3B:15-16)

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30 2. This act shall take effect immediately.

**EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.**

**Matter underlined thus is new matter.**

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STATEMENT

Presently, when the estate of a minor consists of the proceeds of judgment and those proceeds are being held for the minor's benefit by a surrogate, the surrogate is authorized to invest those funds only with New Jersey banking institutions in interest-bearing accounts or in certificate of deposits. This bill would broaden the authority of surrogates with regard to the investment of these funds and permit surrogates to invest such funds with any person authorized by law to invest in insured instruments who maintains an office in New Jersey.

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Broadens authority of surrogates with regard to the investment of certain funds held for the benefit of minors.