**A** **BILL**

TO AMEND SECTION 62‑5‑103, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO PAYMENT OR DELIVERY TO A MINOR OR INCAPACITATED PERSON, SO AS TO AUTHORIZE THE COURT TO ORDER THE REASONABLE PAYMENT, EXPENDITURE, OR DISBURSEMENT OF FUNDS NECESSARY TO SATISFY A SPECIFIC NEED OF A MINOR OR INCAPACITATED PERSON WHICH IS NOT SPECIFICALLY AUTHORIZED ELSEWHERE IN THE CODE.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Section 62‑5‑103 of the 1976 Code is amended to read:

“Section 62‑5‑103. (A) A person under a duty to pay or deliver money or personal property to a minor or incapacitated person may perform this duty in amounts not exceeding ten thousand dollars each year, by paying or delivering the money or property to a:

(1) ~~a~~ person having the care and custody of the minor or incapacitated person with whom the minor or incapacitated person resides;

(2) ~~a~~ guardian of the minor or incapacitated person; or

(3) ~~a~~ financial institution incident to a deposit in a federally insured savings account in the sole name of the minor or for the minor under the Uniform Gifts to Minors Act and giving notice of the deposit to the minor.

This section does not apply if the person making payment or delivery has actual knowledge that a conservator has been appointed or proceedings for appointment of a conservator of the estate of the minor or incapacitated person are pending. The persons, other than the minor or incapacitated person or a financial institution under (3) above, receiving money or property for a minor or incapacitated person, are obligated to apply the money for the benefit of the minor or incapacitated person with due regard to (i) the size of the estate, the probable duration of the minority or incapacity, and the likelihood that the minor or incapacitated person, at some future time, may be ~~able~~ fully able to manage his affairs and his estate; (ii) the accustomed standard of living of the minor or incapacitated person and members of his household; and (iii) other funds or sources used for the support of the minor or incapacitated person, but may not pay themselves except by way of reimbursement for out‑of‑pocket expenses for goods and services necessary for the minor’s or incapacitated person’s support. Money or other property received on behalf of a minor or incapacitated person may not be used by a person to discharge a legal or customary obligation of support that may exist between that person and the minor or incapacitated person. Excess sums must be preserved for future benefit of the minor or incapacitated person, and a balance not used and property received for the minor or incapacitated person must be turned over to the minor when he attains majority or to the incapacitated person when he is no longer incapacitated. Persons who pay or deliver in accordance with provisions of this section are not responsible for the proper application of it.

(B) Notwithstanding another provision of law, the court, in its discretion and upon proper petition, may order the reasonable payment, expenditure, or disbursement of funds necessary to satisfy a specific need of a minor or incapacitated person who has received judgment, settlement, or life insurance proceeds, or any other monies owed to a minor or incapacitated person pursuant to a contract or other obligation following the death of a parent or legal guardian, which is not specifically authorized elsewhere in this title or in Article 5, Chapter 5, Title 63.”

SECTION 2. This act takes effect upon approval by the Governor.

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