

2018 Regular Session

HOUSE BILL NO. 497

BY REPRESENTATIVE PEARSON

1 AN ACT

2 To enact R.S. 9:1421, relative to successions; to authorize access to certain assets; to provide
3 for definitions; to provide for the sale or transfer of securities under certain
4 circumstances; to provide for payment to the surviving spouse pending the
5 appointment of an executor or administrator; to provide for limitations; to provide
6 a limitation of liability for brokers; to provide for the preservation of certain claims;
7 to provide for applicability pending actions for divorce; and to provide for related
8 matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 9:1421 is hereby enacted to read as follows:

11 §1421. Joint securities accounts; surviving account holder; definitions

12 A. For purposes of this Section, the following terms shall have the following
13 meanings:

14 (1) "Broker or securities firm" means a person defined as a broker or dealer
15 under the federal securities laws, and also includes a bank acting in that capacity.

16 (2) "Joint securities or brokerage account" means an account which is titled
17 in the name of a husband and wife, which is registered as a community property
18 account, and which requires the endorsement of both husband and wife in order to
19 assign, transfer, or redeem a security, or to grant the power to assign, transfer, or
20 redeem a security.

1 (3) "Securities or brokerage account" means an account to which a financial
2 asset is or may be credited in accordance with an agreement under which the person
3 maintaining the account undertakes to treat the person for whom the account is
4 maintained as entitled to exercise the rights that comprise the financial asset.

5 (4) "Security" means a security as defined by R.S. 10:8-102(a)(15).

6 B. Upon the death of a joint securities or brokerage account holder and with
7 the authorization and direction of the surviving account holder, a broker or securities
8 firm may sell or transfer securities held in the account not to exceed fifty percent of
9 the value of each security held in the joint securities account. The value of the
10 securities shall be determined as of the date of the death of the decedent.

11 C. The surviving account holder shall have the right to withdraw the funds
12 or assets generated pursuant to the provisions of Subsection B of this Section;
13 however, the right of withdrawal shall terminate upon the delivery of written notice
14 to the broker or securities firm of the appointment of an executor or administrator of
15 the estate of the decedent.

16 D. A broker or securities firm paying a surviving joint securities or
17 brokerage account holder in accordance with the provisions of this Section shall not
18 be liable to the estate or any heir of the decedent nor shall the securities or brokerage
19 account holder be liable for any estate, inheritance, or succession taxes which may
20 be due to the state, and delivery of the funds shall constitute a full and complete
21 discharge of the broker or securities firm for the payment or delivery so made and
22 shall relieve the broker or securities firm from all adverse claims by a person
23 claiming as a surviving or former spouse or a successor to such a spouse.

24 E. The provisions of this Section shall not prohibit any right of forced
25 heirship or the collation or collection of funds due to any spouse, heir, legatee,
26 creditor, or other person having rights or claims to funds of the deceased account
27 holder.

28 F. The provisions of this Section shall not be applicable if a petition for the
29 divorce of the joint securities or brokerage account holders has been filed and the
30 final settlement of the community property is pending at the time of the death of the

1 account holder, and written notice of the filing of the petition for divorce has been
2 delivered to the broker or securities firm.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____