

2024 Regular Session

SENATE BILL NO. 137

BY SENATOR MILLER

BANKS/BANKING. Provides relative to deposits for customers who expire while domiciled out of state. (8/1/24)

1 AN ACT

2 To amend and reenact R.S. 6:325(B), (C), and (D), 767(C) and (D), and 768(B) and (C),
3 relative to banking; to provide for the transfer of money, property, or other content
4 upon the death of a customer or depositor; to provide for terms, conditions, and
5 procedures; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 6:325(B), (C), and (D), 767(C) and (D), and 768(B) and (C) are
8 hereby amended and reenacted to read as follows:

9 §325. Death of a customer and access and transfer of contents of safety deposit
10 boxes, money, and other property by bank to succession
11 representatives, legatees, or heirs; authority

12 * * *

13 B.(1) Regardless of whether a bank receives written notice of the death of its
14 customer and regardless of any prior action by a bank to freeze or restrict access and
15 transactions related to its deceased customer's accounts or safety deposit box, upon
16 receipt of letters testamentary, letters of administration, or letters of independent
17 administration, issued by a court of competent jurisdiction **in this state or any other**

1 state, appointing an authorized succession representative, a bank may grant access
2 to or allow the transfer of contents of a safety deposit box or money or other property
3 titled in the name of the bank's deceased customer to the succession representative.

4 (2) Notwithstanding the provisions of Code of Civil Procedure Article
5 3402 or other applicable laws, a bank may grant access to or allow the transfer
6 of contents of a safety deposit box or money or other property titled in the name
7 of the bank's deceased customer to the succession representative appointed by
8 a court outside of Louisiana.

9 (3) The letters appointing the succession representative shall constitute full
10 and proper authority for allowing the succession representative to access, withdraw,
11 or transfer money or property of the bank's deceased customer, and the bank shall
12 have no liability related to such activity or transaction involving the deceased
13 customer's safety deposit box or money or other property in the bank's possession.

14 ~~(3)~~(4) The bank may continue to follow the direction of the authorized
15 succession representative related to the safety deposit box or money or other property
16 of its deceased customer, unless and until the bank receives a subsequent court order,
17 issued by a court of competent jurisdiction, specifically naming and directing the
18 bank to cease following the written direction of the succession representative, or the
19 bank receives a subsequent court order, issued by a court of competent jurisdiction,
20 limiting or terminating the authority of or replacing the succession representative.

21 C. The judgment of possession issued by a court of competent jurisdiction
22 in this state or any other state recognizing and putting the legatees or heirs in
23 possession of the bank's deceased customer's estate shall constitute full and proper
24 authority for the bank holding a safety deposit box or money or other property titled
25 in the name of its deceased customer to transfer those assets to the legatees or heirs
26 entitled to such property under the judgment of possession. When a bank makes such
27 a transfer, the bank shall have full protection from any heir, legatee, creditor, or other
28 person having any right or claim to money or other property of its deceased
29 customer. The bank shall have no liability related to any such transfer or transaction

1 involving its deceased customer's safety deposit box or money or other property in
2 the bank's possession.

3 D. Conclusive proof to the bank of the letters testamentary, letters of
4 administration, letters of independent administration of the succession representative,
5 or judgment of possession and of the jurisdiction of the court rendering them shall
6 result from copies thereof, duly certified when rendered by a court of this state, ~~or~~
7 ~~certified according to the Acts of Congress when rendered by a court~~ or of any other
8 state, or certified according to the law of the place when rendered by a court of any
9 possession or dependency of the United States, or certified according to the law of
10 the place with the genuineness of the certification attested by a consular agent of the
11 United States when rendered by a court of any foreign country.

12 * * *

13 §767. Death of member or depositor and access and transfer of money and property
14 by association to succession representatives, legatees, or heirs;
15 authority

16 * * *

17 C. Regardless of whether the association has received written notice of the
18 death of its member or depositor and regardless of any prior action by an association
19 to freeze or restrict access and transactions related to its deceased member's or
20 depositor's shares or accounts, upon receipt of the letters testamentary, letters of
21 administration, or letters of independent administration, issued by a court of
22 competent jurisdiction **in this state or any other state**, appointing an authorized
23 succession representative, an association may grant access to or allow the transfer
24 of money or other property titled in the name of its deceased member or depositor
25 to the succession representative. **Notwithstanding the provisions of Code of Civil**
26 **Procedure Article 3402 or other applicable laws, an association may grant**
27 **access to or allow the transfer of money or other property titled in the name of**
28 **the deceased member or depositor to the succession representative appointed**
29 **by a court outside of Louisiana.** The letters of the succession representative shall

1 constitute full and proper authority for the association to grant access to or allow the
2 transfer of the withdrawal value of share accounts, demand accounts, deposit
3 accounts, or savings accounts and any dividends or interest that may have accrued
4 thereon or any money or property held in the name of the deceased member or
5 depositor to such succession representative. The association shall have no liability
6 related to such activity or transactions involving its deceased member's or depositor's
7 money or property in its possession, and the association shall have no liability for
8 any inheritance tax due thereon. The association may continue to follow the direction
9 of the authorized succession representative related to the money or other property
10 titled in its deceased member's or depositor's name, unless and until the association
11 receives a subsequent court order, issued by a court of competent jurisdiction,
12 specifically naming the association and directing the association to cease following
13 the written direction of the succession representative, or the association receives a
14 subsequent court order limiting or terminating the authority of or replacing the
15 succession representative.

16 D. The judgment of possession issued by a court of competent jurisdiction
17 in this state or any other state recognizing and putting the legatees or heirs in
18 possession of the deceased customer's estate shall constitute full and proper authority
19 for the association holding a safety deposit box or money or other property titled in
20 the name of its deceased member or customer to transfer those assets to the legatees
21 or heirs entitled to such property under the judgment of possession, and when an
22 association makes such a transfer, there shall be full protection to the association
23 against any heir, legatee, creditor, or other person having any right or claim to money
24 or property of its deceased customer. The association shall have no liability related
25 to such transfers or transactions involving its deceased customer's money or other
26 property in the association's possession.

27 * * *

28 §768. Transfer of contents of safety deposit boxes by an association to succession
29 representatives, legatees, heirs, minors, or interdicts; authority

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2 B. Regardless of whether an association has received written notice of the
3 death of its customer and regardless of any prior action by an association to freeze
4 or restrict access and transactions related to its deceased customer's safety deposit
5 box, upon receipt of letters testamentary, letters of administration, or letters of
6 independent administration, issued by a court of competent jurisdiction **in this state**
7 **or any other state**, appointing an authorized succession representative, an
8 association may grant access to or allow the transfer of the contents of a safety
9 deposit box titled in the name of its deceased customer to the succession
10 representative. **Notwithstanding the provisions of Code of Civil Procedure**
11 **Article 3402 or other applicable laws, an association may grant access to or**
12 **allow the transfer of contents of a safety deposit box titled in the name of the**
13 **deceased customer to the succession representative appointed by a court outside**
14 **of Louisiana.** The letters of the succession representative shall constitute full and
15 proper authority for allowing the succession representative to access, remove, or
16 transfer the contents of a safety deposit box titled in the name of the deceased
17 customer, and the association shall have no liability related to such activity or
18 transaction involving its deceased customer's safety deposit box. The association
19 may continue to follow the direction of the authorized succession representative
20 related to safety deposit boxes of its deceased customer, unless and until the
21 association receives a subsequent court order, issued by a court of competent
22 jurisdiction, specifically naming and directing the association to cease following the
23 written direction of the succession representative or receives a subsequent court
24 order limiting or terminating the authority of or replacing the succession
25 representative.

26 C. The receipt of a judgment of possession, issued by a court of competent
27 jurisdiction **in this state or any other state**, recognizing and putting the legatees or
28 heirs in possession of the deceased customer's estate shall constitute full and proper
29 authority for the association holding a safety deposit box or other property titled in

1 the name of the deceased customer's name to transfer those assets to the legatees or
 2 heirs entitled to such property under the judgment of possession. When an
 3 association makes such a transfer, there shall be full protection to the association
 4 against any heir, legatee, creditor, or other person having any right or claim to funds
 5 or property of its deceased customer, and the association shall have no liability
 6 related to such transfer or transaction involving its deceased customer's safety
 7 deposit box or money or other property in the association's possession, and the
 8 association shall have no liability for any inheritance tax due thereon.

9 * * *

The original instrument was prepared by Xavier Alexander. The following digest, which does not constitute a part of the legislative instrument, was prepared by Dawn Romero Watson.

DIGEST

SB 137 Reengrossed

2024 Regular Session

Miller

Present law provides that regardless of whether a bank has received written notice of the death of its customer and regardless of any prior action by a bank to freeze or restrict access and transactions related to its deceased customer's safety deposit box, upon receipt of letters testamentary, letters of administration, or letters of independent administration, issued by a court of competent jurisdiction, a bank may grant access to or allow the transfer of the contents of a safety deposit box or money titled in the name of its deceased customer, to the succession representative.

Proposed law retains present law and clarifies that a letters testamentary, letters of administration, or letters of independent administration, received by a bank from a succession representative, shall be issued by a court of competent jurisdiction in this state or any other state.

Proposed law provides that a bank may grant access to or allow the transfer of contents of a safety deposit box or money or other property titled in the name of the bank's deceased customer to the succession representative appointed by a court outside of this state.

Present law provides that a judgment of possession recognizing and putting the legatees of heirs in possession of the deceased customer estate shall constitute full and proper authority for the bank holding a safety deposit box or money or other property titled in the name of the deceased customer to transfer those assets to the legatees or heirs entitled to such property under the judgment of possession. Provides that when a bank makes such a transfer, there shall be full protection from the heir, legatee, creditor, or other person having any right or claim to money or property of its deceased customer, and the bank shall have no liability related to such transfer or transaction involving its deceased customer's safety deposit box or money or other property in the banks possession.

Proposed law retains present law and clarifies that a judgment of possession recognizing and putting the legatees of heirs in possession of the deceased customer's estate, shall be issued by a court of competent jurisdiction in this state or any other state.

Present law provides that conclusive proof to the bank of the letters or judgments and of the

jurisdiction of the court rendering them shall result from copies thereof, duly certified when rendered by a court of this state, or certified according to the Acts of Congress when rendered by a court of any other state, or certified according to the law of the place with genuineness of the certification attested by a consular agent of the U.S. when rendered by a court of any foreign country.

Proposed law removes from present law the requirement that letters or judgments resulting from copies and proof of the jurisdiction of the court rendering such letters or judgments from an out of state court be certified according to the Acts of Congress.

Present law provides that regardless of whether the association has received written notice of the death of its members or depositor and regardless of any prior action by an association to freeze or restrict access and transactions related to its deceased member's or depositor's shares or accounts, upon receipt of letters testamentary, letters of administration, or letters of independent administration, issued by a court of competent jurisdiction, appointing an authorized succession representative, an association may grant access to or allow the transfer of money or other property titled in the name of its deceased member or depositor to the succession representative.

Present law provides that the letters of the succession representative shall constitute full and proper authority for the association to grant access to allow the transfer of the withdrawal value of share accounts, demand accounts, deposit accounts, or saving accounts, and dividends or interest that may have accrued thereon or any money or property held in the name of the deceased member or depositor to such succession representative. Provides the association shall have no liability related to such activity or transaction involving its deceased member's or depositor's money or property in its possession, and the association shall have no liability for any inheritance tax due thereon.

Present law provides that the association may continue to follow direction of the authorized succession representative related to the money or other property titled in its deceased member's or depositor's name, unless and until the association receives a subsequent order specifically naming the association and directing the association to cease following the written direction of the succession representative, or the association receives a subsequent order limiting or terminating authority of or replacing the succession representative.

Proposed law retains present law and clarifies that a letters testamentary, letters of administration, or letters of independent administration, received by a bank from a succession representative, shall be issued by a court of competent jurisdiction in this state. Further provides that a bank may grant access to or allow the transfer of money or other property titled in the name of the deceased member or depositor to the succession representative appointed by a court outside of this state.

Present law provides that regardless of whether an association has received written notice of the death of its customer and regardless of any prior action by an association to freeze or restrict access and transactions related to its deceased customer's safety deposit box, upon receipt of letters testamentary, letters of administration, or letters of independent administration establishing the appointment of an authorized succession representative, an association may grant access to or allow the transfer of the contents of a safety deposit box titled in the name of its deceased customer, to the succession representative, and an association may otherwise follow whatever directions it receives from the succession representative.

Present law provides that the succession representative shall constitute full and proper authority for allowing the succession representative to access, remove, or transfer the contents of a safety deposit box titled in the name of the deceased customer and the association shall have no liability related to such activity or transaction involving its deceased customer's safety deposit box.

Present law provides that the association may continue to follow the direction of the authorized succession representative related to safety deposit boxes of its deceased customer, unless and until the association receives a subsequent order specifically naming and directing the association to follow the written direction of the succession representative or receives a subsequent order limiting or terminating the authority of or replacing the succession representative.

Proposed law retains present law and clarifies that a letters testamentary, letters of administration, or letters of independent administration, received by a bank from a succession representative, shall be issued by a court of competent jurisdiction in this state. Further provides that a bank may grant access to or allow the transfer of money or other property titled in the name of the deceased member or depositor to the succession representative appointed by a court outside of this state.

Present law provides that the receipt of a judgment of possession recognizing and putting the legatees or heirs in possession of the deceased customer's estate shall constitute full and proper authority for the association holding a safety deposit box or other property titled in the name of the deceased customer's name to transfer those assets to the legatees or heirs entitled to such property under the judgment of possession. Provides when an association makes such a transfer, there shall be full protection to the association against any heir, legatee, creditor, or other person having any right or claim to funds or property of its deceased customer, and the association shall have no liability related to such transfer or transaction involving its deceased customer's safety deposit box or money or other property in the association's possession, and the association shall have no liability for any inheritance tax due thereon.

Proposed law retains present law and clarifies that a judgment of possession recognizing and putting the legatees of heirs in possession of the deceased customer's estate, shall be issued by a court of competent jurisdiction in this state or any other state.

Effective August 1, 2024.

(Amends R.S. 6:325(B), (C), and (D), 767(C) and (D), and 768(B) and (C))

Summary of Amendments Adopted by Senate

Senate Floor Amendments to engrossed bill

1. Make technical corrections.