

2024 Regular Session

SENATE BILL NO. 428

BY SENATOR FOIL

BANKS/BANKING. Extends the time frame for authorized production or disclosure of financial records by banks. (8/1/24)

1 AN ACT

2 To amend and reenact R.S. 6:333(C)(2)(b) and (G), relative to banks and banking; to  
3 provide for disclosures by a bank or any affiliate; to provide relative to request of  
4 bank disclosure records; to provide for terms and conditions; to provide for related  
5 matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 6:333(C)(2)(b) and (G) are hereby amended and reenact to read as  
8 follows:

9 §333. Disclosure of financial records; reimbursement of costs

10 \* \* \*

11 C. A bank may disclose financial records pursuant to a disclosure demand if  
12 each of the following conditions are met:

13 \* \* \*

14 (2) Prior to the return date, the person requesting the issuance of the  
15 disclosure demand furnishes the bank with an affidavit certifying both of the  
16 following:

17 \* \* \*

1 (b) That such service was made at least ~~fifteen~~ **thirty** business days prior to  
2 the return date.

3 \* \* \*

4 G. A bank shall be given a reasonable period of time prior to the return date,  
5 and in no event less than ~~fifteen~~ **thirty** business days prior thereto, in which to  
6 complete the action necessary to disclose financial records which are the subject of  
7 a request. Whether the bank is a party to litigation or not, prior to making any  
8 disclosure and notwithstanding any contrary provisions of this Section, R.S. 13:4521,  
9 Code of Civil Procedure Article 2411, or of any other law, the bank shall be  
10 reimbursed by the requesting person for the reasonable fees and costs incurred or to  
11 be incurred by the bank in the course of compliance with the request, including but  
12 not limited to document reproduction costs, research and processing costs, personnel  
13 costs, and travel expenses, whether any or all such costs are internal costs or are  
14 costs incurred by the bank in favor of a person acting on behalf of or performing  
15 services for the bank. If the bank and the requesting party disagree as to the amount  
16 of the fees and costs to be reimbursed to the bank under this Section, the bank need  
17 not produce the financial records, until the court or other appropriate body issuing  
18 the disclosure demand has fixed the amount to be paid to the bank upon a motion of  
19 any party or the bank. The court or other appropriate body, in its discretion, may  
20 order a contradictory hearing to fix the fees and costs to be reimbursed.

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The original instrument and the following digest, which constitutes no part  
of the legislative instrument, were prepared by Xavier I. Alexander.

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DIGEST

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Present law provides that a bank may disclose financial records pursuant to a disclosure demand if each of the following conditions are met:

- (1) The disclosure demand is served on the bank's president, one of the bank's registered agents for service of process, or, if applicable, on the bank's counsel of record unless such service on such individuals is expressly waived by the bank.
- (2) Prior to the return date, the person requesting the issuance of the disclosure demand furnishes the bank with an affidavit certifying both of the following:

- (a) That the disclosure demand, or a certified copy thereof, has also been personally served upon each customer named in the disclosure demand to whom the financial records being sought pertain or upon such customer's counsel of record in accordance with present law.
- (b) That such service was made at least 15 business days prior to the return date.

Proposed law retains present law except provides that the person requesting the issuance of the disclosure demand furnishes the bank with an affidavit certifying that such service was made at least 30 business days prior to the return date.

Present law provides that a bank shall be given a reasonable period of time prior to the return date, and in no event less than 15 business days prior thereto, in which to complete the action necessary to disclose financial records which are subject to a request.

Proposed law retains present law except provides that a bank shall be given a reasonable period of time prior to the return date, and in no event less than 30 days prior thereto, in which to complete the action necessary to disclose financial records which are subject to a request.

Effective August 1, 2024.

(Amends R.S. 6:333(C)(2)(b) and (G))