SENATE BILL NO. 126

BY SENATOR PRICE

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Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

AN ACT

2 To amend and reenact R.S. 6:315.1(A) and 659 and to enact R.S. 6:659.2, relative to credit unions; to add credit unions to those financial institutions that may utilize abandoned 3 safety deposit box procedures; to provide relative to the transfer of certain deposits 4 5 to the surviving spouse or heirs upon the death of an intestate depositor; to allow credit unions to expel members under limited circumstances; to provide terms and 6 7 conditions; and to provide for related matters. 8 Be it enacted by the Legislature of Louisiana: 9 Section 1. R.S. 6:315.1(A) and 659 are hereby amended and reenacted, and R.S. 10 6:659.2 is hereby enacted to read as follows: 11 §315.1. Transfer of small deposits; death of depositor; affidavits required; penalties A. Upon the death of a depositor who dies intestate and who has deposits 12 13 standing in his name alone or jointly with a surviving spouse and heirs, if any, in the 14 total aggregate amount of twenty thousand dollars or less, in any depository financial 15 institution, such depository financial institution may transfer pay a sum not to 16 exceed twenty thousand dollars of such deposits to the surviving spouse and heirs, 17 if any, or to the heirs, if there is no surviving spouse, upon receipt of an affidavit establishing jurisdiction and relationship. The affidavit shall also state that the 18

deceased depositor left no will, that the total aggregate amount on deposit subject to

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| transfer under this Section does not exceed twenty thousand dollars total funds |
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| withdrawn do not exceed twenty thousand dollars from all depositories, and that |
| such facts are true and correct. |

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§659. Expulsion and withdrawal of members

A.(1) At any regularly called meeting the members may, by a two-thirds vote of those present, expel any member from the corporation for cause. A member may withdraw from a credit union, as provided in this Chapter, by filing a written notice of his intention.

(2) A credit union may expel a member for cause, pursuant to a written policy adopted by its board of directors. This expulsion may occur solely by board action, without the necessity of a meeting of the members. For the purposes of this Section, "cause" includes conduct by the offending member that caused a loss to the credit union, violated the membership agreement or any policy or procedure adopted by the board of directors, or exhibited inappropriate behavior such as physical or verbal abuse of other credit union members or staff.

(3) Any person so expelled shall have the right to file a written request to the board of directors to reconsider the expulsion.

B. All amounts paid in on shares of an expelled or withdrawing member with any dividends credited to his share to the date of expulsion or withdrawal shall be paid to the member, but only as funds for this become available and only after deducting any amount due to the corporation by the member. All deposits and shares of an expelled or withdrawing member, with any interest accrued, shall be paid the member subject to sixty days notice, and any amounts due to the corporation by the member shall be deducted. The member when withdrawing shares has no further right in the credit union or to any of its benefits, but the expulsion or withdrawal does not relieve the member from any remaining liability to the corporation.

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§659.2. Federally insured credit unions; abandonment of safety deposit box

| 1 | The provisions of R.S. 6:327 shall apply to abandonment of a safety |
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| 2 | deposit box leased from a federally insured credit union. |
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| | PRESIDENT OF THE SENATE |
| | SPEAKER OF THE HOUSE OF REPRESENTATIVES |
| | GOVERNOR OF THE STATE OF LOUISIANA |

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APPROVED: _____