

UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF
TEXAS, HOUSTON DIVISION

JPMorgan Chase Bank, N.A. v. Treniesha Niesha Houston and Mary
Johnson Lard

JPMorgan Chase Bank, N.A. v. Treniesha Niesha Houston and Mary Johnson Lard · No. 4:25-cv-3245 · Decided
December 17, 2025

SUMMARY

This Memorandum and Recommendation addresses Defendants’ motion to dismiss for lack of subject-matter jurisdiction in an interpleader action involving three payable-on-death bank accounts. The court recommends denying the motion, concluding that statutory interpleader jurisdiction exists based on the amount in controversy and minimal diversity. It further concludes that the probate exception does not apply because the disputed payable-on-death funds are non-probate assets not in the custody of a probate court.

CASE DETAILS

COURT	United States District Court for the Southern District of Texas, Houston Division
WRITING FOR THE COURT	Richard W. Bennett
JURISDICTION	United States District Court for the Southern District of Texas, Houston Division
DECIDED	December 17, 2025
DOCKET	4:25-cv-3245
DISPOSITION	other
PROCEDURAL POSTURE	Defendants moved to dismiss Chase's federal interpleader action for lack of subject-matter jurisdiction, asserting the probate exception and disputing the asserted jurisdictional bases. The magistrate judge issued a Memorandum and Recommendation recommending that the motion be denied.
STANDARD OF REVIEW	The recommendation evaluated the motion under the subject-matter-jurisdiction requirements for diversity jurisdiction and statutory interpleader, and applied the Fifth Circuit's two-step test for the probate exception.

TOPICS

interpleader

subject matter jurisdiction

probate procedure

motions to dismiss

civil procedure

PRACTICE AREAS

civil procedure

probate

commercial litigation

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QUESTIONS PRESENTED

1. Whether the federal court had subject-matter jurisdiction under the statutory interpleader statute, 28 U.S.C. § 1335.
2. Whether the probate exception deprived the federal court of jurisdiction over the dispute concerning ownership of the payable-on-death accounts.
3. Whether the court should dismiss the interpleader action for lack of subject-matter jurisdiction.

HOLDINGS

1. The court concluded that statutory interpleader jurisdiction existed because the amount in controversy exceeded \$500 and the adverse claimants satisfied the minimum-diversity requirement.
2. The probate exception did not deprive the federal court of jurisdiction because the payable-on-death funds were not estate property within the custody of a probate court.

KEY QUOTATIONS

“A federal court “has no jurisdiction to probate a will or administer an estate[.]”” (at 4)

“But it does not bar federal courts from adjudicating matters outside those confines and otherwise within federal jurisdiction.” (at 4)

“P.O.D. funds are non-probate assets.” (at 5)

FACTUAL BACKGROUND

Bobby Ray Johnson died on March 24, 2025, holding three accounts at JPMorgan Chase Bank, N.A. that were payable on death to Mary Johnson Lard. Treniesha Niesha Houston later presented a purported durable power of attorney and signature cards seeking to change the payable-on-death beneficiary from Lard to Houston. Chase retained approximately \$1.06 million in the accounts and filed an interpleader action because Houston and Lard asserted conflicting rights to the funds.

PROCEDURAL HISTORY

Chase filed an interpleader action on July 11, 2025, concerning competing claims to three payable-on-death accounts formerly held by Bobby Ray Johnson. Defendants moved to dismiss under Federal Rule of Civil

Procedure 12(b)(1). After considering the parties' submissions, the magistrate judge recommended denial of the motion and advised the parties of their fourteen-day period to object under Rule 72(b).

DISPOSITION

other

REMAND INSTRUCTIONS

No remand was ordered. The magistrate judge recommended that Defendants' motion to dismiss be denied and directed the Clerk to send the recommendation to the parties, who had fourteen days after receipt to file objections under Rule 72(b).

CASES CITED

- Auto Parts Mfg. Mississippi, Inc. v. King Constr. of Houston, L.L.C., 782 F.3d 186, 193 (5th Cir. 2015)
- Curtis v. Brunsting, 704 F.3d 406, 408-09 (5th Cir. 2013)
- Markham, Alien Property Custodian, v. Allen et al., Markham v. Allen, 326 U.S. 490, 494 (1946)
- Baxter v. Hastings, No. 3:22-cv-10995, 2022 WL 2306825, at *3-4 (N.D. Tex. June 27, 2022)
- Punts v. Wilson, 137 S.W.3d 889, 892 (Tex. App.—Texarkana 2004, no pet.)
- Graves v. Metro. Life Ins. Co., No. 4:23-cv-947, 2023 WL 4237099, at *5 (S.D. Tex. June 28, 2023)

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