

2024 Regular Session

SENATE BILL NO. 35

BY SENATOR MORRIS

LIABILITY. Provides for sale of litigious rights. (8/1/24)

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AN ACT

To amend and reenact Civil Code Art. 2652, relative to liability; to provide relative to litigious rights; to provide with respect to the sale and assignment of litigious rights; to provide relative to the assignment of a promissory note or other debt instrument; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. Civil Code Art. 2652 is hereby amended and reenacted to read as follows:

Art. 2652. Sale of litigious rights

When a litigious right is assigned, the debtor may extinguish his obligation by paying to the assignee the price the assignee paid for the assignment, with interest from the time of the assignment.

A right is litigious, for that purpose, when it is contested in a suit already filed.

Nevertheless, the debtor may not thus extinguish his obligation when the assignment **is of a promissory note or other debt instrument, or** has been made to a co-owner of the assigned right, or to a possessor of the thing subject to the litigious right.

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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Hanna Gettys.

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## DIGEST

SB 35 Original

2024 Regular Session

Morris

Present law provides that when a litigious right is assigned, the debtor may extinguish his obligation by paying to the assignee the price the assignee paid for the assignment, with interest from the time of the assignment.

Present law provides that a right is litigious, for that purpose, when it is contested in a suit already filed.

Present law provides that the debtor may not thus extinguish his obligation when the assignment has been made to a co-owner of the assigned right, or to a possessor of the thing subject to the litigious right.

Proposed law retains present law but includes extinguishing an obligation when the assignment is of a promissory note or other debt instrument.

Effective August 1, 2024.

(Amends C.C. Art. 2652)