
DIGEST

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Gallot

HB No. 32

Abstract: Provides for the suspension of performance of a contract due to the impracticability of performance of the contract.

Present law provides for the impossibility of performance of contracts.

Proposed law provides for the applicability of proposed law to existing contracts unless the parties agree otherwise.

Proposed law provides for the suspension of performance of contracts due to impracticability.

Proposed law provides that performance is impracticable when the burden has increased beyond any reasonable expectation of the parties.

Proposed law provides for the liability of the obligor who was in default at the time the impracticability arose.

Proposed law provides for proportional suspension or reduction of counterperformance in the case of partial performance.

Proposed law provides that hurricanes Katrina and Rita are fortuitous events.

Proposed law provides for the suspension of monetary payments.

Proposed law provides for the retroactive application of proposed law to August 26, 2005.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Adds R.S. 9:2561)