
DIGEST

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HB 122 Engrossed

2016 Regular Session

Jay Morris

Abstract: Provides that a debtor may not extinguish his obligation by paying to the assignee of a litigious right the price the assignee paid for the assignment when the litigious right arises from the enforcement of a promissory note, mortgage, or other evidence of borrowed money.

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

Present law provides that the debtor may not extinguish his obligation under present law 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 and adds an exception for litigious rights which arise from the enforcement of a promissory note, mortgage, or other evidence of borrowed money.

(Amends C.C. Art. 2652)