2017 Regular Session

HOUSE BILL NO. 340

BY REPRESENTATIVE JAY MORRIS

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

CIVIL/ACTIONS: Provides relative to the availability of attorney fees in suits on open accounts

1	AN ACT
2	To amend and reenact R.S. 9:2781(A) and (C), relative to attorney fees on open accounts;
3	to provide when attorney fees are available; to provide procedures for the avoidance
4	of the requirement to pay attorney fees; and to provide for related matters.
5	Be it enacted by the Legislature of Louisiana:
6	Section 1. R.S. 9:2781(A) and (C) are hereby amended and reenacted to read as
7	follows:
8	§2781. Open accounts; attorney fees; professional fees; open account owed to the
9	state
10	A. When any person fails to pay an open account within thirty days after the
11	claimant sends written demand therefor correctly setting forth the amount owed, that
12	person shall be liable to the claimant for reasonable attorney fees for the prosecution
13	and collection of such claim when judgment on the claim is rendered in favor of the
14	claimant suit is filed against the debtor and the claimant is entitled to prevail on the
15	merits of the suit. Citation and service of a petition shall be deemed written demand
16	for the purpose of this Section. If the claimant and his attorney have expressly agreed
17	that the debtor shall be liable for the claimant's attorney fees in a fixed or
18	determinable amount, the claimant is entitled to that amount when judgment on the
19	claim is rendered in favor of the claimant suit is filed against the debtor and the

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CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

1	claimant is entitled to prevail on the merits of the suit. Receipt of written demand
2	by the person is not required.
3	* * *
4	C. If the demand is made by citation and service of a petition, the person
5	shall be entitled to pay the account without attorney fees by delivering payment to
6	the claimant or the claimant's attorney within ten days after service of the petition in
7	city courts of limited jurisdiction and fifteen days after service of the petition in all
8	other state and federal courts.
9	* * *

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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Abstract: Specifies that attorney fees are available in suits on open accounts when the suit is filed against the debtor and the claimant is entitled to prevail on the merits of the suit.

<u>Present law</u> provides for the entitlement and recovery of attorney fees when an obligee makes demand upon an obligor and judgment on the claim is rendered in favor of the claimant.

<u>Proposed law</u> retains <u>present law</u> but clarifies that the entitlement to recovery of attorney fees attaches when suit is filed, not when judgment is rendered, and the claimant is entitled to prevail on the merits of the suit.

<u>Present law</u> provides that the debtor can avoid the payment of attorney fees by delivering payment to the claimant or the claimant's attorney within 10 days after service of the petition in city courts and 15 days after service of the petition in all other courts.

<u>Proposed law</u> retains <u>present law</u> but expands "city courts" to "courts of limited jurisdiction" and limits "all other courts" to "state and federal courts".

(Amends R.S. 9:2781(A) and (C))