SLS 18RS-7 **ORIGINAL**

2018 Regular Session

1

SENATE BILL NO. 390

BY SENATOR CLAITOR

SUITS AGAINST STATE. Provides for the order of payment of judgments and compromises against the state, subject to funding. (gov sig)

AN ACT

2	To enact R.S. 13:5109(B)(3) through (5), relative to the payment of final nonappealable
3	judgments and compromises rendered against the state; to provide for the order
4	judgments and compromises are to be paid, subject to legislative appropriation; to
5	provide that the Joint Legislative Committee on the Budget may make changes to the
6	order on a case-by-case basis; to provide for an effective date; and to provide for
7	related matters.
8	Be it enacted by the Legislature of Louisiana:
9	Section 1. R.S. 13:5109(B)(3) through (5) are hereby enacted to read as follows:
10	§5109. Authority to compromise; judgment; notice of judgment; payments
11	* * *
12	В.
13	* * *
14	(3) To the extent that appropriated funds are available to pay final
15	nonappealable judgments or compromises which are in compliance with the
16	procedures for the payment of such judgments or compromises, judgments and
17	compromises shall be paid in the following order:

1	(a) First, lawsuits which are compromised when the amount to be paid
2	by the state per lawsuit is less than one hundred thousand dollars, with the
3	oldest compromises being paid first.
4	(b) Second, lawsuits which have a final nonappealable judgment when
5	the amount the state is cast in judgment per lawsuit is less than one hundred
6	thousand dollars, with the oldest judgments being paid first.
7	(c) Third, lawsuits which are compromised when the amount to be paid
8	by the state per lawsuit is between one hundred thousand dollars and two
9	hundred fifty thousand dollars, with the oldest compromises being paid first.
10	(d) Fourth, lawsuits which have a final nonappealable judgment when
11	the total amount the state is cast in judgment per lawsuit is between one
12	hundred thousand dollars and two hundred fifty thousand dollars, with the
13	oldest judgments being paid first.
14	(e) Fifth, lawsuits which are compromised when the amount to be paid
15	by the state per lawsuit is in excess of two hundred fifty thousand dollars, with
16	the oldest compromises being paid first.
17	(f) Sixth, lawsuits which have a final nonappealable judgment when the
18	total amount the state is cast in judgment is in excess of two hundred fifty
19	thousand dollars, with the oldest judgments being paid first.
20	(4) The state agency or department which is found to be at fault shall pay
21	five percent of the judgment from its appropriated funds.
22	(5) The Joint Legislative Committee on the Budget may allow changes
23	to the order set forth in Paragraph (3) of this Subsection on a case-by-case basis.
24	* * *
25	Section 2. This Act shall become effective upon signature by the governor or, if not
26	signed by the governor, upon expiration of the time for bills to become law without signature
27	by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
28	vetoed by the governor and subsequently approved by the legislature, this Act shall become
29	effective on the day following such approval.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Martha S. Hess.

DIGEST 2018 Regular Session

Claitor

SB 390 Original

<u>Present law</u> provides that in any judgment rendered in any suit filed against the state, a state agency, or any compromise reached in favor of the plaintiff or plaintiffs in any such suit shall be exigible, payable, and paid only out of funds appropriated for that purpose by the legislature, if the suit was filed against the state or a state agency.

<u>Proposed law</u> retains <u>present law</u> but to the extent that appropriated funds are available to pay final nonappealable judgments or compromises which are in compliance with the procedures for the payment of such judgments or compromises. <u>Proposed law</u> sets forth the order in which judgments should be paid, as follows:

- (1) First, lawsuits which are compromised when the amount to be paid by the state per lawsuit is less than \$100,000, with the oldest compromises being paid first.
- (2) Second, lawsuits which have a final nonappealable judgment when the amount the state is cast in judgment per lawsuit is an amount less than \$100,000, with the oldest judgments being paid first.
- (3) Third, lawsuits which are compromised when the amount to be paid by the state per lawsuit is between \$100,000 and \$250,000, with the oldest compromises being paid first.
- (4) Fourth, lawsuits which have a final nonappealable judgment when the total amount the state is cast in judgment is between \$100,000 and \$250,000, with the oldest judgments being paid first.
- (5) Fifth, lawsuits which are compromised when the amount to be paid by the state per lawsuit is in excess of \$250,000, with the oldest compromises being paid first.
- (6) Sixth, lawsuits which have a final nonappealable judgment when the total amount the state is cast in judgment is in excess of \$250,000, with the oldest judgments being paid first.

<u>Proposed law</u> further provides that the state agency or department which is found to be at fault shall pay five percent of the judgment from its appropriated funds.

<u>Proposed law</u> also authorizes the Joint Legislative Committee on the Budget to allow changes to the order set forth in <u>proposed law</u> on a case-by-case basis.

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

(Adds R.S. 13:5109(B)(3)-(5))