HOUSE COMMITTEE AMENDMENTS

2018 Regular Session

Amendments proposed by House Committee on Civil Law and Procedure to Original House Bill No. 172 by Representative Garofalo

1 AMENDMENT NO. 1

- 2 On page 1, line 2, after "2376" and before the comma "," insert "and to enact R.S. 13:4368"
- 3 AMENDMENT NO. 2
- 4 On page 1, delete line 3 in its entirety and insert "privileges, liens, and mortgages; to provide
- 5 for the cancellation or partial release of inferior privileges, liens, and mortgages"
- 6 AMENDMENT NO. 3
- 7 On page 1, line 4, after "sale;" and before "and" insert the following:
- 8 "to provide for the procedures for cancelling or partially releasing inferior
- 9 privileges, liens, and mortgages; to provide for the required information for
- the filing of an affidavit; to provide the duties, effect, and liability for the
- filing of an affidavit; to provide for exceptions;"
- 12 AMENDMENT NO. 4
- On page 1, at the end of line 8, insert a comma "," and insert "liens, and privileges"
- 14 AMENDMENT NO. 5
- On page 1, at the beginning of line 9, delete "A."
- 16 AMENDMENT NO. 6
- On page 1, delete line 12 in its entirety and insert "clerk of court or proper filing officer to
- cancel <u>or partially release</u> their inscriptions in so far <u>insofar</u>"
- 19 AMENDMENT NO. 7
- 20 On page 1, delete lines 14 through 19 in their entirety and on page 2, delete lines 1 and 2 in
- 21 their entirety
- 22 <u>AMENDMENT NO. 8</u>
- 23 On page 2, after line 2, add the following:
- "Section 2. R.S. 13:4368 is hereby enacted to read as follows:
- 25 <u>§4368. Post judicial sale; cancellation of inferior mortgages, liens, and</u> 26 privileges
- A. If the inscription of an inferior mortgage, lien, or privilege
- encumbering the immovable property sold through a judicial sale is not
- 29 cancelled as required by Code of Civil Procedure Article 2376, the seizing creditor or its agent may have the inferior mortgage, lien, or privilege
- cancelled or partially released as to the immovable property sold by
- recording in the mortgage records of the parish in which the immovable
- property sold is located an "affidavit to cancel an inferior encumbrance" that is in compliance with the requirements of this Section. For purposes of this

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1	Section, an "inferior creditor" means the holder of record of a mortgage, lien,
2	or privilege that is inferior to a seizing creditor's mortgage, lien, or privilege
3	at the time the encumbered immovable property was sold at judicial sale.
4	B. A seizing creditor or its agent may file an affidavit to cancel or
5	partially release the inferior mortgage, lien, or privilege in accordance with
6	this Section only if the inferior creditor was provided written notice of
7	seizure prior to the judicial sale.
8	C. An affidavit executed by a seizing creditor or its agent to cancel
9	or partially release an inferior mortgage, lien, or privilege shall include all of
10	the following information:
11	(1) The name, mailing address, telephone number, and email address
12	of the seizing creditor or its agent.
13	(2) The name of the court, case name, and docket number of the
14	action under which the seizure and sale of the immovable property was
15	ordered.
16	(3) The date of the judicial sale.
17	(4) A description of the seizing creditor's foreclosed mortgage, lien,
18	or privilege, including the recordation information and recording date.
19	(5) A description sufficient to identify the foreclosed immovable
20	property.
21	(6) A description of the inferior mortgage, lien, or privilege, including
22	the recordation information and recording date, and a declaration that the
23	described mortgage, lien, or privilege requested to be cancelled or partially
21 22 23 24 25 26 27 28 29	released is inferior to the foreclosed mortgage, lien, or privilege.
25	(7) A certification that written notice of seizure was given to the
26	inferior creditor prior to the judicial sale, and a copy attached of the written
27	notice together with evidence that it was delivered to the inferior creditor.
- · 28	(8) A request that the clerk of court cancel or partially release the
29	identified inferior mortgage, lien, or privilege pursuant to this Section.
30	D. The clerk of court shall cancel or partially release the inferior
31	mortgage, lien, or privilege upon the recordation of an affidavit that is in
32	compliance with this Section.
33	E. The cancellation of a mortgage, lien, or privilege by the filing of
	an affidavit in accordance with the provisions of this Section shall have no
34 35 36	effect if the mortgage, lien, or privilege is actually superior to the seizing
36	creditor's foreclosed mortgage, lien, or privilege.
37	F. Any party recording an affidavit pursuant to this Section shall be
38	subject to the liability requirements and standards provided in R.S. 9:5174.
39	G. This Section shall not apply to utility servitudes."
<i></i>	G. This Section shall not apply to utility servitudes.