

2022 Regular Session

SENATE BILL NO. 494

BY SENATOR FOIL

SEIZURES/SALES. Provides relative to seizure of property. (8/1/22)

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AN ACT

To amend and reenact Code of Civil Procedure Arts. 2334, 2335, and 2721(B), relative to summary and executory proceedings; to provide relative to the notice of seizure of property; to provide relative to service of the notice of seizure; to provide relative to sherriff's sales; to provide for online auction of seized property; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. Code of Civil Procedure Arts. 2334, 2335, and 2721(B) are hereby amended and reenacted to read as follows:

Art. 2334. Reading of advertisement and certificates

* * *

A. At the time and place designated for the sale, the sheriff shall read aloud all or part of the advertisement describing the property in such sufficiency as to reasonably provide notice to the public of the property then being offered for sale, which, at a minimum, shall include the lot and subdivision or municipal number or by section, township, and range, including some identifying mark, if appropriate, and a reference to the conveyance or mortgage recordation. The sheriff shall also read

1 aloud a mortgage certificate and any other certificate required by law or otherwise
 2 provide, at least twenty-four hours prior to the sale, a copy of such certificates to the
 3 public by means of public posting, written copies, electronic means, or by any other
 4 method. **If a sheriff elects to conduct an online auction, the online listing**
 5 **description shall include the requirements of the Paragraph.**

6 B. The failure of the sheriff to procure, read aloud, or provide a copy of any
 7 certificate as required by this Article **or, alternatively, the failure to list the**
 8 **requirements of Paragraph A of this Article in an online listing description,**
 9 shall not impact the validity of the sale and shall not give rise to any cause of action
 10 against the sheriff, the seizing creditor, or the purchaser arising out of such failure.

11 Art. 2335. Superior mortgage or privilege

12 The sheriff shall announce that the property is to be sold for cash subject to
 13 any security interest, mortgage, lien, or privilege thereon superior to that of the
 14 seizing creditor. **Alternatively, if a sheriff conducts an online auction, the winner**
 15 **of the auction shall be announced online on the auction website.**

16 Art. 2721. Seizure of property; notice

17 * * *

18 B. The sheriff shall serve upon the defendant a written notice of the seizure
 19 of the property. Such notice of seizure shall be accomplished by personal service or
 20 domiciliary service. The notice of seizure shall reproduce in full the provisions of
 21 Article 2642 and include information concerning the availability of housing
 22 counseling services, as well as the time, date, and place of the sheriff's sale, in
 23 accordance with the form provided in R.S. 13:3852(B). **For purposes of this**
 24 **Paragraph, "place" may include a physical location or, if the sheriff elects to**
 25 **conduct an online auction, an internet address.**

26 * * *

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Lebra R. Bias.

DIGEST

SB 494 Original

2022 Regular Session

Foil

Present law provides that the notice of seizure shall reproduce in full the provisions of present law and include information concerning the availability of housing counseling services, as well as the time, date, and place of the sheriff's sale, in accordance with the form provided in present law.

Proposed law retains present law and adds that "place" may include a physical location or, if the sheriff elects to conduct an online auction, an internet address.

Present law provides that at the time and place designated for the sale, the sheriff shall read aloud all or part of the advertisement describing the property in such sufficiency as to reasonably provide notice to the public of the property then being offered for sale, which, at a minimum, shall include the lot and subdivision or municipal number or by section, township, and range, including some identifying mark, if appropriate, and a reference to the conveyance or mortgage recordation. Present law further provides that the sheriff shall also read aloud a mortgage certificate and any other certificate required by law or otherwise provide, at least 24 hours prior to the sale, a copy of such certificates to the public by means of public posting, written copies, electronic means, or by any other method.

Proposed law retains present law and adds that if a sheriff elects to conduct an online auction, the online listing description shall include the requirements of present law.

Present law provides that the failure of the sheriff to procure, read aloud, or provide a copy of any certificate as required by present law shall not impact the validity of the sale and shall not give rise to any cause of action against the sheriff, the seizing creditor, or the purchaser arising out of such failure.

Proposed law retains present law and adds that, in the alternative, the failure to list present law in an online listing description, shall not impact the validity of the sale and shall not give rise to any cause of action against the sheriff, the seizing creditor, or the purchaser arising out of such failure.

Present law provides that the sheriff shall announce that the property is to be sold for cash subject to any security interest, mortgage, lien, or privilege thereon superior to that of the seizing creditor.

Proposed law retains present law and adds that, in the alternative, if a sheriff conducts an online auction, the winner of the auction shall be announced online on the auction website.

Effective August 1, 2022.

(Amends C.C.P. Arts. 2334, 2335, and 2721(B))