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

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DIGEST

SB 196 Original

2023 Regular Session

Peacock

Proposed law creates the Litigation Financing Disclosure and Security Protection Act.

Proposed law provides for definitions of "legal representative", "litigation financier", "litigation financing", "litigation financing transaction", "national security", "party", and "proprietary information".

Proposed law provides that except as otherwise stipulated by the parties or ordered by the court, a party or his legal representative shall provide to all litigants, including the insurer if prior to litigation, any litigation financing contract or agreement under which anyone, other than a legal representative permitted to charge a contingent fee, has received or has a right to receive compensation or proceeds that are contingent on and sourced from any proceeds of the civil action by settlement, judgement, or otherwise.

Proposed law provides that except as otherwise stipulated by the parties or ordered by the court, a party or his legal representative shall provide to all litigants, including the insurer if prior to litigation, any litigation financing contract or agreement under which anyone, other than a legal representative permitted to charge a contingent fee, has received or has a right to receive proprietary information or information affecting national defense or security obtained as a result of the litigation.

Proposed law provides that the existence of litigation financing, litigation financing transactions, and all participants in such financing arrangements are permissible subjects of discovery in all civil cases, including personal injury litigation or matters arising out of personal injuries.

Proposed law relative to class action suits, provides that in addition to the disclosure requirements set forth in proposed law, the legal representative of the putative class shall disclose to all parties, putative class members, and the court, any legal, financial, or other relationship between the legal representative and litigation financier.

Proposed law provides that the litigation financier is solidarily liable for costs assessed by the court relative to the payment of any monetary sanction that is imposed pursuant to present law, on the party whose claim or action is being funded pursuant to a litigation financing transaction.

Proposed law provides that any violation of proposed law shall make the litigation financing contract unenforceable by the litigation financier, the consumer, or any successor-in-interest to the litigation financing contract.

Effective August 1, 2023.

(Adds R.S. 9:3580.1-3580.6)