SLS 24RS-278

ENGROSSED

2024 Regular Session

SENATE BILL NO. 35

BY SENATOR MORRIS

LIABILITY. Provides for sale of litigious rights. (8/1/24)

1	AN ACT
2	To amend and reenact Civil Code Art. 2652, relative to liability; to provide relative to
3	litigious rights; to provide with respect to the sale and assignment of litigious rights;
4	to provide relative to the assignment of a promissory note; and to provide for related
5	matters.
6	Be it enacted by the Legislature of Louisiana:
7	Section 1. Civil Code Art. 2652 is hereby amended and reenacted to read as follows:
8	Art. 2652. Sale of litigious rights
9	When a litigious right is assigned, the debtor may extinguish his obligation
10	by paying to the assignee the price the assignee paid for the assignment, with interest
11	from the time of the assignment.
12	A right is litigious, for that purpose, when it is contested in a suit already
13	filed.
14	Nevertheless, the debtor may not thus extinguish his obligation when the
15	assignment is of a promissory note, or has been made to a co-owner of the assigned
16	right, or to a possessor of the thing subject to the litigious right.

Page 1 of 2 Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions. The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Hanna Gettys.

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DIGEST 2024 Regular Session

Morris

<u>Present law</u> provides that when a litigious right is assigned, the debtor may extinguish his obligation by paying to the assignee the price the assignee paid for the assignment, with interest from the time of the assignment.

<u>Present law</u> provides that a right is litigious, for that purpose, when it is contested in a suit already filed.

<u>Present law</u> provides that the debtor may not thus extinguish his obligation when the assignment has been made to a co-owner of the assigned right, or to a possessor of the thing subject to the litigious right.

<u>Proposed law</u> retains <u>present law</u> but includes extinguishing an obligation when the assignment is of a promissory note.

Effective August 1, 2024.

(Amends C.C. Art. 2652)

Summary of Amendments Adopted by Senate

- Committee Amendments Proposed by Senate Committee on Judiciary A to the original bill
- 1. Removes or other debt instrument from the provisions of proposed law.