

Regular Session, 2013

HOUSE BILL NO. 494

BY REPRESENTATIVE ST. GERMAIN

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

SALT DOMES: Requires notification of the proximity of property to a salt dome containing solution mining and storage caverns

1 AN ACT

2 To enact R.S. 9:3198(A)(2)(c) and R.S. 30:23.1, relative to salt domes; to require  
3 notification of the proximity of property to a salt dome in which there is solution  
4 mining and storage activity; to provide for certain penalties; and to provide for  
5 related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 9:3198(A)(2)(c) is hereby enacted to read as follows:

8 §3198. Duties of the seller; delivery of property disclosure document; termination  
9 of real estate contract; information contained in document and inaccuracies;  
10 required disclosure of information relative to homeowners' associations;  
11 liability of seller

12 A.

13 \* \* \*

14 (2)

15 \* \* \*

16 (c) Included with the property disclosure documents required by this Section  
17 shall be a statement of acknowledgment as to whether or not a cavity created within  
18 a salt stock by dissolution with water lies underneath the property and whether or not  
19 the purchasing property is within two thousand six hundred forty feet of a solution  
20 mining injection well.

21 \* \* \*

1 Section 2. R.S. 30:23.1 is hereby enacted to read as follows:

2 §23.1. Recordation of notice of solution mined cavern

3 A. The owner or operator of a solution mined cavern shall record the survey  
 4 plat of the well location for the solution mining injection well in the mortgage and  
 5 conveyance records of the parish in which the property is located. Such notice shall  
 6 be made in a form approved by the commissioner and within the time specified by  
 7 the commissioner. If an owner or operator fails or refuses to record such notice, the  
 8 commissioner may, if he determines that the public interest requires, and after due  
 9 notice and an opportunity for a hearing has been given to the owner and operator,  
 10 cause such notice to be recorded. The clerk of court shall forward to the office of  
 11 conservation a copy of each notice recorded by an owner or operator in accordance  
 12 with this Subsection.

13 B. The failure of an owner to file, or ensure that the operator has filed, the  
 14 required notice may constitute grounds for an action in redhibition under the  
 15 applicable provisions of Civil Code Articles 2520 et seq., unless the purchaser has  
 16 actual or constructive knowledge that the property has been used for such purposes.

17 C. Any action brought pursuant to the provisions of this Section shall be  
 18 commenced within one year from the date the purchaser first knows of the existence  
 19 of the fact which gives rise to the action, but in any event within three years of the  
 20 date upon which the purchaser acquired his ownership interest in the property.  
 21 Venue shall be in any parish in which the property or any portion thereof is located.

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#### DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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St. Germain

HB No. 494

**Abstract:** Requires notification of the proximity of property to a salt dome containing solution mining and storage caverns

Present law requires the seller of property to disclose known features about the property for sale. Proposed law includes among those disclosures, a statement as to whether or not a cavity created within salt stock by dissolution with water lies under the property or whether the property is within 2,640 feet of a solution mining injection well.

Proposed law further requires the owner or operator of a solution mined cavern to provide notification of the location of such cavern in the mortgage and conveyance records of the parish where the property is located. If the owner or operator fails to provide such notification, the commissioner may cause such notice to be recorded. Requires the clerk of court to forward a copy of each notice recorded to the office of conservation.

Proposed law provides that failure of an owner to file, or to ensure that the operator files, the required notice may constitute grounds for an action of redhibition unless the purchaser has actual or constructive knowledge that the property overlays or is in proximity to a solution mined cavern. Provides a period of prescription of one year from the date of knowledge of the fact that gives rise to an action and three years after the purchase of the property, the purchaser shall have no right of action. Provides venue for any action to be in the parish in which the property is located.

(Adds R.S. 9:3198(A)(2)(c) and R.S. 30:23.1)

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Natural Resources and Environment to the original bill.

1. Provided that the operator, along with the owner, of a solution mined cavern is responsible for recording notification of the location of such cavern in the mortgage and conveyance records of the parish.
2. Removed the procedure for removal of the notification of the location of the cavern from the mortgage or conveyance records.
3. Added that if the owner fails to ensure that the operator files notification of the location of the cavern, such failure may constitute ground for legal action.