
DIGEST

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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.