

Regular Session, 2014

HOUSE BILL NO. 567

BY REPRESENTATIVE SHADOIN

BONDS: Provides relative to filing of bond or other security in proceedings under the Private Works Act

1 AN ACT

2 To amend and reenact R.S. 9:4835(A) and (B), relative to the filing of security in certain
3 civil proceedings under the Private Works Act; to provide for the form of security
4 to be filed; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 9:4835(A) and (B) are hereby amended and reenacted to read as
7 follows:

8 §4835. Filing of bond or other security; cancellation of statement of claim or
9 privilege or notice of pendency of action

10 A. If a statement of claim or privilege or a notice of pendency of action is
11 filed, any interested party may deposit with the recorder of mortgages either a bond
12 of a lawful surety company authorized to do business in the state, or cash, or certified
13 funds, ~~or a federally insured certificate of deposit~~ to guarantee payment of the
14 obligation secured by the privilege or that portion as may be lawfully due together
15 with interest, costs, and attorney fees to which the claimant may be entitled up to a
16 total amount of one hundred twenty-five percent of the principal amount of the claim
17 as asserted in the statement of claim or privilege or such a suit. A surety shall not
18 have the benefit of division or discussion.

19 B. If the recorder of mortgages finds the amount of the cash, or certified
20 funds, ~~or certificate of deposit~~ or the terms and amount of a bond deposited with him

1 to be in conformity with this Section, he shall note his approval on the bond and
 2 make note of either the bond or of the cash; or certified funds, ~~or certificate of~~
 3 ~~deposit~~ in the margin of the statement of claim or privilege or notice of pendency of
 4 action as it is recorded in the mortgage records and cancel the statement of claim or
 5 privilege or the notice of pendency of action from his records by making an
 6 appropriate notation in the margin of the recorded statement or notice. The bond
 7 shall not be recorded but shall be retained by the recorder of mortgages as a part of
 8 his records.

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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)]

Shadoin

HB No. 567

Abstract: Removes a federally insured certificate of deposit as an acceptable form of security to be filed in certain civil matters.

Present law provides that if a statement of claim or privilege or a notice of pendency of action is filed, any interested party may deposit with the recorder of mortgages either a bond of a lawful surety company authorized to do business in the state, cash, certified funds, or a federally insured certificate of deposit to guarantee payment of the obligation secured by the privilege.

Present law provides that if the recorder of mortgages finds the amount of the cash, certified funds, or certificate of deposit or the terms and amount of a bond deposited with him to be in conformity with present law, he shall note his approval on the bond and make note of either the bond or of the cash, certified funds, or certificate of deposit in the margin of the statement of claim or privilege or notice of pendency of action as it is recorded in the mortgage records and cancel the statement of claim or privilege or the notice of pendency of action from his records by making an appropriate notation in the margin of the recorded statement or notice.

Proposed law retains present law but removes a federally insured certificate of deposit as an acceptable form of security to be filed in certain civil matters.

(Amends R.S. 9:4835(A) and (B))