

Regular Session, 2013

SENATE BILL NO. 156

BY SENATOR BROOME

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

LEASES. Provides relative to leases and residential lessee's right to notification of foreclosure action. (8/1/13)

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AN ACT

To enact R.S. 9:3260.1, relative to leases; to provide for a residential lessee's right to notification of foreclosure action on the leased premises; to provide certain terms, conditions, requirements and procedures; to provide for the duties of the lessor, including manner and form of notice; to provide for the rights of the lessee, including termination of the lease and recovery of certain amounts; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 9:3260.1 is hereby enacted to read as follows:

**§3260.1. Lessee's right to notification of foreclosure action**

**A. Prior to entering into a lease agreement for a residential dwelling unit, the owner or lessor shall disclose in writing whether the premises of the unit is subject to any pending foreclosure procedure, and the right of the lessee or tenant to receive a notification of a foreclosure action pursuant to this Section.**

**B. Within seven calendar days after being served pursuant to Code of Civil Procedure Article 2293 with a notice of seizure in a foreclosure action, an**

1 owner or lessor of residential premises being seized shall provide a written  
2 disclosure of such notice of seizure to all lessees or tenants of the premises, and  
3 to any third party who has a consistent pattern and practice of paying rent to  
4 the owner or lessor on behalf of a lessee or tenant.

5 C. The written disclosure required in Subsection B shall be signed by the  
6 owner or lessor and shall include the name of the district court in which the  
7 foreclosure action is pending, the case name and docket number and the  
8 following statement: "This is not a notice to vacate the premises. This notice  
9 does not mean ownership of the building has changed. All lessees or tenants are  
10 still responsible for payment of rent and other obligations under the rental  
11 agreement. The owner or lessor is still responsible for his obligations under the  
12 rental agreement. You will receive additional notice if there is a change in  
13 owner".

14 D. A lessee or tenant may in writing terminate the lease agreement if the  
15 lessor or owner does not provide the written disclosures required by this  
16 Section. Such termination notice shall specify the date of termination no later  
17 than thirty days from the date of the termination notice. In addition, if a lessee  
18 or tenant in a civil legal proceeding against an owner or lessor establishes that  
19 a violation of this Section occurred, the lessee or tenant shall be entitled to  
20 recover two hundred dollars in damages, in addition to any other damages or  
21 remedies and costs to which the lessee or tenant may also be entitled.

22 E. The requirements of this Section shall apply to all owners or lessors  
23 in residential leases, including owners or lessors who are leasing residential  
24 properties subject to a federally-related mortgage loan, and to all residential  
25 lessees or tenants, including lessees or tenants receiving vouchers or housing  
26 assistance dollars pursuant to Section 8 of the United States Housing Act of  
27 1937.

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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Julie J. Baxter.

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#### DIGEST

Proposed law provides for residential lessee's right to notification of foreclosure actions.

Proposed law provides that, prior to entering into a lease agreement for a residential dwelling unit, the owner or lessor shall disclose in writing whether the premises of the unit is subject to any pending foreclosure procedure, and the right of the lessee to receive notification of a foreclosure action pursuant to proposed law.

Proposed law provides that, within seven calendar days after being served pursuant to Code of Civil Procedure Article 2293 with a notice of seizure in a foreclosure action, an owner or lessor of residential premises being seized shall provide a written disclosure of such seizure to all lessees or tenants of the premises, and to any third party who has a consistent pattern and practice of paying rent to the owner or lessor on behalf of the lessee or tenant.

Proposed law provides that the written disclosure required under proposed law shall be signed by the owner or lessor and shall include the name of the district court in which the foreclosure action is pending, the case name and docket number and the following statement:

"This is not a notice to vacate the premises. This notice does not mean ownership of the building has changed. All lessees or tenants are still responsible for payment of rent and other obligations under the rental agreement. The owner or lessor is still responsible for his obligations under the rental agreement. You will receive additional notice if there is a change in owner".

Proposed law provides that the lessee or tenant may in writing terminate the lease agreement if the owner or lessor does not provide the written disclosures required under proposed law.

Proposed law provides that such termination notice shall specify the date of termination no later than 30 days from the date of the termination notice. Proposed law further provides that, if a lessee or tenant in a civil legal proceeding against an owner or lessor establishes that a violation of this Section occurred, the lessee or tenant shall be entitled to recover two hundred dollars in damages, in addition to any other damages or remedies and costs to which the lessee or tenant may also be entitled.

Proposed law further provides that the requirements of proposed law shall apply to all owners or lessors in residential leases, including owners or lessors who are leasing residential properties subject to a federally-related mortgage loan, and to all residential lessees or tenants, including lessees or tenants receiving vouchers or housing assistance dollars pursuant to Section 8 of the United States Housing Act of 1937.

Effective August 1, 2013.

(Adds R.S. 9:3260.1)