DIGEST

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HB 517 Reengrossed

2021 Regular Session

Thomas

Abstract: Removes liability of agents, contractors, and representatives to act as surety for the negligent liability of proprietors.

<u>Present law</u> (C.C.P. Art. 667) provides that a proprietor shall not make any work on his property, which may deprive his neighbor of the liberty of enjoying his own, or which may be the cause of any damage to his neighbor and that he is answerable for damages only upon a showing that he knew or, in the exercise of reasonable care, should have known that his works would cause damage, that the damage could have been prevented by the exercise of reasonable care, and that he failed to exercise such reasonable care.

<u>Present law</u> further provides that the proprietor is answerable for damages without regard to his knowledge or his exercise of reasonable care, if the damage is caused by an ultrahazardous activity, which is strictly defined as pile driving or blasting with explosives.

<u>Present law</u> (R.S. 9:2773) provides that it is the public policy of the state that the responsibility which may be imposed on an agent, contractor, or representative by reason of the responsibility of proprietors pursuant to <u>present law</u> (C.C.P. Art. 667) shall be limited solely to the obligation of such agent, contractor, or representative to act as the surety of such proprietor in the event the proprietor is held to be responsible for damage caused and resulting from the work of such agent, contractor, or representative, and only in the event the proprietor is unable to satisfy any claim arising out of such damage.

<u>Proposed law limits present law</u> (R.S. 9:2773) surety liability imposed upon an agent, contractor, or representative to liability caused by ultrahazardous activity pursuant to <u>present law</u> (C.C.P. Art. 667) or any other provision of law.

<u>Proposed law</u> applies to any suit filed on or after the effective date of <u>proposed law</u>.

(Amends R.S. 9:2773(A))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by <u>House Committee on Civil Law and Procedure</u> to the <u>original</u> bill:

1. Provide for prospective application only.