
DIGEST

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HB 240 Draft

2026 Regular Session

Chenevert

Abstract: Provides a limitation of recovery under third-party litigation financing agreements, and provides for disclosure of such agreements.

Proposed law prohibits a litigation financier with a litigation financing contract from receiving any amount greater than an amount equal to the share of the proceeds collectively recovered by the plaintiffs seeking to recover monetary damages financed by a litigation financing contract or agreement after the payment of any attorney fees and costs.

Proposed law requires an attorney who enters into a litigation financing contract or agreement to disclose the existence of the contract or agreement and deliver a copy to the client he represents within 30 days after being retained as counsel by the client, or within 30 days after entering into the litigation financing agreement, whichever is earlier.

(Amends R.S. 9:3580.13(B) and (C); Adds R.S. 9:3580.13(D) and (E))