

RÉSUMÉ DIGEST

ACT 62 (HB 400)

2017 Regular Session

Garofalo

Existing law provides that, in lieu of complying with certain provisions of existing law (R.S. 9:5169-5171), a request for cancellation of a mortgage may have attached to it the signed, written act of a licensed financial institution executed before a notary public or duly acknowledged before a notary public with or without witnesses or any act that is otherwise self-proving pursuant to certain provisions of existing law (C.E. Art. 902(1) through (3) or (8)), declaring that the obligee is a licensed financial institution as defined in existing law and that the institution meets certain other requirements.

New law adds that an act under private signature by two authorized officers of the licensed financial institution shall also be allowed to substitute in lieu of complying with certain provisions of existing law (R.S. 9:5169-5171).

New law also allows for partial cancellation of a mortgage.

Existing law requires that a request for cancellation must declare certain circumstances related to the nature of the relationship of the particular financial institution making the request for cancellation. New law retains existing law and makes it applicable to a partial cancellation as well.

Existing law provides that when a request for cancellation is made by the licensed financial institution, in lieu of attaching a separate act of release, the financial institution may include the information required by existing law (R.S. 9:5169-5171) if the request is in authentic or authenticated form.

New law retains existing law and makes existing law also applicable to partial releases.

Existing law provides that a financial institution seeking to cancel a mortgage or privilege inscription may use, and the recorder of mortgages for each and every parish in the state of La. shall accept, the form provided by existing law as fully compliant as a request for cancellation and act of release.

New law retains existing law but removes the requirement that the form must be executed before a notary public and further changes the form provided by existing law to allow for an act under private signature by two authorized officers of the named financial institution.

New law provides a new form which may be used for the partial cancellation of a mortgage.

Effective August 1, 2017.

(Amends R.S. 9:5172(A)(intro. para.) and (1) and (B) and 5173; Adds R.S. 9:5172(A)(3) and 5173.1)