## SLS 19RS-399

## REENGROSSED

2019 Regular Session

SENATE BILL NO. 191

BY SENATOR CHABERT

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

REAL ESTATE. Provides actions for damages against real estate appraisers, appraisal management companies, and real estate appraisal companies. (8/1/19)

1	AN ACT
2	To enact R.S. 9:5610, relative to civil liability for damages; to provide for peremption of
3	actions for damages against real estate appraisers, appraisal management companies,
4	and real estate appraisal companies; to provide for a prescriptive period for such
5	actions; to provide for applicability; to provide for exceptions; and to provide for
6	related matters.
7	Be it enacted by the Legislature of Louisiana:
8	Section 1. R.S. 9:5610 is hereby enacted to read as follows:
9	§5610. Actions against real estate appraisers, appraisal management
10	companies, and real estate appraisal companies; prescriptive and
11	peremptive periods
12	A. No action for damages against any real estate appraiser or appraisal
13	management company duly licensed under the laws of this state, or against any
14	real estate appraisal company, whether based in tort, breach of contract, or
15	otherwise arising out of an agreement to perform real estate appraisal services
16	or appraisal management company services, shall be brought unless filed in a
17	court of competent jurisdiction and proper venue within one year from the date

Page 1 of 3 Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions.

1	of the act, omission, or neglect, or within one year from the date that the alleged
2	act, omission, or neglect is discovered or should have been discovered; however,
3	even as to actions filed within one year from the date of such discovery, in all
4	events such actions shall be filed at the latest within three years from the date
5	of the act, omission, or neglect.
6	<b>B.</b> The provisions of this Section are remedial and apply to all causes of
7	action without regard to the date when the alleged act, omission, or neglect
8	occurred. However, with respect to any alleged act, omission, or neglect
9	occurring prior to August 1, 2019, actions shall, in all events, be filed in a court
10	of competent jurisdiction and proper venue on or before August 1, 2020,
11	without regard to the date of discovery of the alleged act, omission, or neglect.
12	The one-year period of limitation provided in Subsection A of this Section is
13	prescriptive within the meaning of Civil Code Article 3447. The three-year
14	period of limitation provided in Subsection A of this Section is a peremptive
15	period within the meaning of Civil Code Article 3458 and, in accordance with
16	Civil Code Article 3461, may not be renounced, interrupted, or suspended.
17	C. Notwithstanding any other law to the contrary, the prescriptive and
18	peremptive period in all actions brought in this state against any real estate
19	appraiser, appraisal management company, or real estate appraisal company
20	shall be governed exclusively by the provisions of this Section.
21	<b>D.</b> The prescriptive period provided in Subsection A of this Section shall
22	not apply in cases of fraud, as defined in Civil Code Article 1953.
23	<b>E.</b> The prescriptive period provided in Subsection A of this Section shall
24	not apply to any proceedings initiated by the Louisiana Real Estate Appraisers
25	Board.

SB 191 Reengrossed

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Angela L. De Jean.

## DIGEST 2019 Regular Session

Chabert

<u>Proposed law</u> provides that no action for damages against any real estate appraiser, appraisal management company, or real estate appraisal company, arising out of an engagement to perform real estate appraisal services, shall be brought unless filed within one year from the date of the act, omission, or neglect, or within one year from the date that the alleged act, omission, or neglect is discovered or should have been discovered, but in all events such actions shall be filed at the latest within three years from the date of the act, omission, or neglect.

Provides that <u>proposed law</u> is remedial and applies to all causes of action without regard to the date when the alleged act, omission, or neglect occurred.

<u>Proposed law</u> provides that the one-year period of limitation is prescriptive within the meaning of Civil Code Art. 3447. Further provides that the three-year period of limitation is a peremptive period within the meaning of Civil Code Art. 3458 and, in accordance with Civil Code Art. 3461, may not be renounced, interrupted, or suspended.

Provides that the prescriptive and peremptive periods in all actions shall be subject to the provisions of <u>proposed law</u>.

<u>Proposed law</u> shall not apply in cases of fraud and shall not apply to any proceedings initiated by the La. Real Estate Appraisers Board.

Effective August 1, 2019.

(Adds R.S. 9:5610)

Summary of Amendments Adopted by Senate

Senate Floor Amendments to engrossed bill

- 1. Provides that the one-year limitation period for a cause of action is prescriptive in accordance with Civ. Code Art. 3447.
- 2. Provides that the three-year limitation period for a cause of action is peremptive in accordance with Civ. Code Art. 3458 and may not be renounced, interrupted, or suspended in accordance with Civ. Code Art. 3461.
- 3. Removes language requiring the scope of the duty to clients and nonclients be determined exclusively by applicable Louisiana rule of law regardless of the domicile of the parties involved.