

Regular Session, 2012

HOUSE CONCURRENT RESOLUTION NO. 93

BY REPRESENTATIVE BILLIOT

A CONCURRENT RESOLUTION

To urge and request the Louisiana State Law Institute to study creating procedures that would enable a surety to take possession of collateral in certain circumstances and to report its findings on or after January 1, 2014.

WHEREAS, many people obligate themselves as surety of debts for the purchase of movables; and

WHEREAS, the purchased movables are the primary collateral of the debt incurred; and

WHEREAS, if the principal obligor of the debt fails or refuses to make required payments, the surety is then required to make the payments in order to prevent default on the debt and seizure of the collateral; and

WHEREAS, while the surety is making payments on the debt, he frequently does not have possession or control of the collateral; and

WHEREAS, the principal obligor who has failed or refused to make payments retains possession and control of the movable and may cause damage to or destruction of the movable; and

WHEREAS, it would be beneficial to the surety, in addition to his rights of subrogation and reimbursement, if he were able to take possession of the movable in order to protect his interest in the collateral before it is damaged or destroyed.

THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby urge and request the Louisiana State Law Institute to study creating procedures that would enable a surety to take possession of collateral in certain circumstances and to report its findings and recommendations in the form of specific proposed legislation to the Legislature of Louisiana on or before January 1, 2014.

BE IT FURTHER RESOLVED that a suitable copy of this Resolution be transmitted to the director of the Louisiana State Law Institute.

---

SPEAKER OF THE HOUSE OF REPRESENTATIVES

---

PRESIDENT OF THE SENATE