

SENATE BILL NO. 156

BY SENATOR BROOME

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

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AN ACT

To enact R.S. 9:3260.1, relative to leases; to provide for a residential lessee's right to notification of foreclosure action on the leased premises; to provide certain terms, conditions, requirements and procedures; to provide for the duties of the lessor, including manner and form of notice; to provide for the rights of the lessee, including termination of the lease and recovery of certain amounts; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 9:3260.1 is hereby enacted to read as follows:

§3260.1. Lessee's right to notification of foreclosure action

A. During, and prior to entering into, a lease agreement for a residential dwelling, the lessor shall disclose in writing to the lessee and any prospective lessee any pending foreclosure action to which the residential dwelling is subject and the right of the lessee to receive a notification of a foreclosure action pursuant to this Section.

B. Within seven calendar days after being served pursuant to Code of Civil Procedure Article 2293 with a notice of seizure in a foreclosure action, a lessor of a residential dwelling subject to a notice of seizure in a foreclosure action shall provide written notice of the seizure to all lessees of the premises.

C. The written disclosure required in Subsection B of this Section shall be signed by the lessor and shall include the name of the district court in which the foreclosure action is pending, the case name and docket number and the following statement: "This is not a notice to vacate the premises. This notice does not mean ownership of the building has changed. All lessees are still responsible for payment of rent and other obligations under the rental

1 agreement. The lessor is still responsible for his obligations under the rental
2 agreement. You will receive additional notice if there is a change in owner."

3 D. If a lessee in a civil legal proceeding against an owner or lessor
4 establishes that a violation of this Section occurred, the lessee shall be entitled
5 to recover two hundred dollars in damages, in addition to any other damages
6 or remedies and costs to which the lessee may also be entitled.

7 E. The requirements of this Section shall apply to all lessors in
8 residential leases, including lessors who are leasing residential dwellings subject
9 to a federally-related mortgage loan, as defined in 12 USC 2602, or who have
10 entered into a housing assistance payments contract with the public housing
11 agency to receive housing subsidies on behalf of a lessee pursuant to Section 8
12 of the United States Housing Act of 1937, and to all lessees in residential leases,
13 including such lessees receiving vouchers or housing assistance pursuant to
14 Section 8 of the United States Housing Act of 1937.

15 F. The requirements of this Section shall not apply to a federally insured
16 financial institution that is asserting its rights as an assignee of a lessor whose
17 property is under foreclosure or as a mortgage holder.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____