

House Committee on Civil Law and Procedure

Minutes of Meeting
2023 Regular Session
May 22, 2023

I. CALL TO ORDER

Representative Gregory A. Miller, chairman of the House Committee on Civil Law and Procedure, called the meeting to order at 10:17 a.m. in Room 4, in the state capitol in Baton Rouge, Louisiana.

II. ROLL CALL

MEMBERS PRESENT:

Representative Gregory A. Miller, chairman
Representative Beryl A. Amedée
Representative Delisha Boyd
Representative Robby Carter
Representative Michael Charles Echols
Representative Julie Emerson
Representative Lawrence "Larry" Frieman
Representative Raymond E. Garofalo, Jr.
Representative Patrick O. Jefferson
Representative Sam L. Jenkins, Jr.
Representative Michael T. Johnson, vice chairman
Representative Alonzo L. Knox
Representative Nicholas Muscarello, Jr.
Representative Richard James Nelson
Representative Alan Seabaugh

MEMBERS ABSENT:

Representative Wilford Dan Carter, Sr.
Representative Valarie Hodges
Representative Danny McCormick

STAFF MEMBERS PRESENT:

Amy Pirtle, attorney
Allison Shirey, attorney
Megan Sanders, committee administrative assistant

ADDITIONAL ATTENDEES PRESENT:

Rebecca Marshall, sergeant at arms
Michael McCain, clerk
Allie Eaves, clerk
Jaubert Ambeau, tv/audio engineer

III. DISCUSSION OF LEGISLATION**Senate Bill No. 140 by Senator Foil**

Senator Foil presented Senate Bill No. 140, which provides relative to online judicial sales.

Jesse Loomis, Bid4Assets, Inc., 8757 Georgia Ave., Suite 500, Silver Springs, MD 20910, (301) 441-2558, spoke in support of Senate Bill No. 140.

Greg DeCastro, Auction.com, 153 Grackle Ln., Pawsleys Island, SC 29585, (214) 998-4917, spoke in support of Senate Bill No. 140.

Lloyd McClendon, Real Auction, 861 SW 78 Ave., No. 102, Plantation, FL 33324, (954) 734-7400, spoke in support of Senate Bill No. 140.

David Boneno, Louisiana Bankers Association, 5555 Bankers Ave., Baton Rouge, LA 70808, (225) 214-4836, spoke in support of Senate Bill No. 140.

Representative Robby Carter offered an amendment to provide that the fixed fee paid to the auction company is payable only upon the completion of the sale. Representative Robby Carter offered a motion to adopt the proposed amendment. Without objection, the amendment was adopted by a vote of 11 yeas, 0 nays, and 1 abstention. Representatives Amedee, Boyd, Robby Carter, Echols, Frieman, Garofalo, Jenkins, Mike Johnson, Knox, Muscarello, and Nelson voted yea. Representative Gregory Miller abstained.

Representative Echols offered a motion to report Senate Bill No. 140 with amendments. Without objection, Senate Bill No. 140 was reported with amendments by a vote of 11 yeas, 0 nays, and 1 abstention. Representatives Amedee, Boyd, Robby Carter, Echols, Frieman, Garofalo, Jenkins, Mike Johnson, Knox, Muscarello, and Nelson voted yea. Representative Gregory Miller abstained.

Witness cards submitted by individuals who did not speak are as follows: 5 in support and 1 for information only. Witness cards are included in the committee records.

Senate Bill No. 196 by Senator Peacock

Senator Peacock presented Senate Bill No. 196, which creates the Litigation Financing Disclosure and Security Protection Act.

On behalf of Senator Peacock, Representative Gregory Miller offered amendments to make technical changes to the grammar and semantics throughout the bill. Representative Gregory Miller offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 12 yeas, 0 nays, and 1 abstention. Representatives Amedee, Boyd, Robby Carter, Echols, Emerson, Frieman, Garofalo, Jenkins, Mike Johnson, Knox, Muscarello, and Nelson voted yea. Representative Gregory Miller abstained.

Representative Gregory Miller offered amendments to:

- (1) Amend the definition of litigation financing.
- (2) Change when a party shall disclose a litigation financing contract or agreement from sixty days after entering into the contract or agreement to sixty days after the commencement of a civil action.
- (3) Remove provision on solidary liability.
- (4) Provide for the absolute nullity of contracts in violation of proposed law.
- (5) Make technical changes to the title.

Representative Gregory Miller offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 11 yeas, 0 nays, and 1 abstention. Representatives Amedee, Boyd, Robby Carter, Echols, Emerson, Frieman, Garofalo, Jenkins, Mike Johnson, Knox, and Nelson voted yea. Representative Gregory Miller abstained.

Senator Peacock provided the committee with a letter from United States Senator John Kennedy, Exhibit A, which is included in the committee records.

Tripp Haston, United States Chamber of Commerce, Bradley Arant Boult Cummings, LLP, 1819 Fifth Ave., Birmingham, AL 35203, (205) 521-8303, spoke in support of Senate Bill No. 196.

D.W. Feman, International Legal Finance Association, 810 7th Ave., New York, NY 10019, (212) 726-2648, spoke in opposition to Senate Bill No. 196.

Robert E. Kleinpeter, Louisiana Association for Justice, 442 Europe, Baton Rouge, LA 70802, (225) 383-5554, spoke in opposition to Senate Bill No. 196.

Representative Robby Carter offered an amendment to provide that only contracts with entities which receive a percentage of the proceeds from the civil action shall be considered litigation financing. Representative Robby Carter offered a motion to adopt the proposed amendment, to which Representative Seabaugh objected. The administrative assistant called the roll, and the motion failed to pass by a vote of 4 yeas, 8 nays, and 1 abstention. Representatives Robby Carter, Jenkins, Knox, and Muscarello voted yea. Representatives Amedee, Echols, Emerson, Frieman, Garofalo, Mike Johnson, Nelson, and Seabaugh voted nay. Representative Gregory Miller abstained.

Representative Robby Carter offered an amendment to prohibit contracts that provide for the recovery of a percentage of the proceeds from a civil action by a non-attorney or attorney not barred in this state. Representative Robby Carter offered a motion to adopt the proposed amendment, to which Representative Frieman objected. The administrative assistant called the roll, and the motion failed to pass by a vote of 5 yeas, 8 nays, and 1 abstention. Representatives Boyd, Robby Carter, Jenkins, Knox, and Muscarello voted yea. Representatives Amedee, Echols, Emerson, Frieman, Garofalo, Mike Johnson, Nelson, and Seabaugh voted nay. Representative Gregory Miller abstained.

Representative Garofalo offered a motion to report Senate Bill No. 196 with amendments, to which Representative Robby Carter objected. The administrative assistant called the roll, and Senate Bill No. 196 was reported with amendments by a vote of 8 yeas, 5 nays, and 1 abstention. Representatives Amedee, Echols, Emerson, Frieman, Garofalo, Mike Johnson, Nelson, and Seabaugh voted yea. Representatives Boyd, Robby Carter, Jenkins, Knox, and Muscarello voted nay. Representative Gregory Miller abstained.

Witness cards submitted by individuals who did not speak are as follows: 11 in support and 2 in opposition. Witness cards are included in the committee records.

House Bill No. 259 by Representative Marcelle

Representative Marcelle presented House Bill No. 259, a constitutional amendment, which creates an exception to maximum one-year period for appropriations for nongovernmental entities.

Representative Gregory Miller offered a motion to adopt the House Rule 6.8(A) Report to House Bill No. 259, which stated that the measure could not be accomplished statutorily and would, therefore, require a constitutional amendment. Without objection, the House Rule 6.8(A) Report to House Bill No. 259 was adopted by a vote of 12 yeas, 0 nays, and 1 abstention. Representatives Amedee, Boyd, Robby Carter, Echols, Emerson, Frieman, Garofalo, Jenkins, Mike Johnson, Knox, Muscarello, and Nelson voted yea. Representative Gregory Miller abstained.

Representative Knox offered a motion to report House Bill No. 259 without amendments. Without objection, House Bill No. 259 was reported without amendments by a vote of 12 yeas, 0 nays, and 1 abstention. Representatives Amedee, Boyd, Robby Carter, Echols, Emerson, Frieman, Garofalo,

Jenkins, Mike Johnson, Knox, Muscarello, and Nelson voted yea. Representative Gregory Miller abstained.

IV. OTHER BUSINESS

There was no other business.

V. ANNOUNCEMENTS

There were no announcements.

VI. ADJOURNMENT

The meeting was adjourned at 12:39 p.m.

Respectfully submitted,

Chairman Gregory A. Miller
House Committee on Civil Law and Procedure