

WFG Informational Bulletin

To: All Louisiana Policy Issuing Agents of WFG National Title Insurance Company
From: WFG Underwriting Department
Date: June 28, 2017
Bulletin No: LA2017-07
Subject: 2017 Louisiana Legislative Update

This is a follow up to Bulletin No. LA 2017-04. The 2017 Regular Session of the Louisiana Legislature ended June 8, although a special session was called to deal with outstanding budget issues. All of the following Acts take effect August 1.

ACT 173 (SB 236): Recording Fees

By far the most significant legislation for our industry this year, this act revises the recording fees charged by clerks across the state and should make it easier to estimate those fees. There were some changes to the bill as it made its way through the legislature, as noted below.

Under the amended R.S. 13:844, the fee to record a document is: \$100 for 1-5 pages, \$200 for 6-25 pages, \$300 for 26-50 pages, \$300 for the first 50 pages + \$5 per subsequent page for 50+ pages. This fee includes indexing of up to 10 names and 1 certified copy. Documents will be assessed separately for filing in both mortgage and conveyance records (e.g., credit sale). No additional fee may be assessed for filing letter-size documents. Cancellation by act or affidavit costs a flat \$50 per mortgage, lien or privilege. The cost to cancel a mortgage by production of the original note continues to be \$10.

An amendment to Code of Civil Procedure Art. 258 requires the clerks to adopt e-filing by January 1, 2022. In a change from the bill as proposed, the act also enacts Code of Civil Procedure Art. 259, which absolves the clerks of liability for any damages caused by a third party to any information included in filed or recorded documents.

ACT 7 (HB 75): Death Certificates/Small Successions

An attorney preparing a small succession affidavit can obtain the decedent's death certificate directly under this act, which amends R.S. 40:416.

ACT 198 (HB 121): Successions under Independent Administration

This act, supported by the La. State Law Institute, amends Code of Civil Procedure Art. 3396.18, eliminating the requirement that a sworn detailed descriptive list be filed before a judgment of possession is rendered in a succession under independent administration. The descriptive list must be filed before the succession can be closed and the independent administrator discharged, and may be sealed upon request of an administrator, heir or legatee.

ACT 96 (HB 129): Small Successions

Legislators agreed to raise the maximum gross value of a small succession from \$75,000 to \$125,000, which was less than the \$150,000 as originally proposed in HB 129. This amendment to Code of Civil Procedure Art. 3421 will be useful for filing small succession affidavits. However, the act keeps the threshold at \$75,000 to qualify for lower court costs in a judicial succession. The act also reduces from 25 to 20 years the amount of time passed since death regardless of value to constitute a small succession.

ACT 57 (HB 310): Corporations

This act amends the Business Corporations Act in Title 12 of the Revised Statutes. Of interest to the title industry, reinstatement of a terminated corporation has been extended from three to five years.

ACT 102 (HB 328): Acknowledgment of Extinction of Certain Rights in Immovables

The bill proposed a modest revision to R.S. 9:5176, which provides for an acknowledgment from lessees and holders of servitudes, options and the like that their rights are extinguished. The bill was rewritten, but the act still only makes minor technical changes to the provision authorizing the award of attorney's fees.

ACT 62 (HB 400): Cancellations

This act amends R.S. 9:5172, authorizing a release or partial release of a mortgage held by a licensed financial institution to be executed by two bank officers without a notary in lieu of one officer appearing before a notary.

ACT 244 (SB 129): Servitudes

R.S. 9:1254 currently provides an owner of an enclosed estate with a right of passage over a waterway located on neighboring property where no other means of access exist. This act amends that statute to clarify that the owner of the enclosed estate is bound to compensate the neighbor for the servitude and provide indemnity against any damage.

What didn't pass:

HB 469, which proposed significant changes to the Condominium Act, and SB 120, which proposed a major overhaul of residential landlord-tenant law, both died in the regular session this year.

The full text of the acts can be reviewed [HERE](#). Please be prepared for the recording fee changes on August 1, and contact your local clerks with any questions. If you have any other questions or concerns, please do not hesitate to contact us.

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