The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Hanna Gettys.

DIGEST

SB 8 Original

2024 Regular Session

Edmonds

<u>Proposed law</u> creates the Litigation Financing Disclosure Act.

<u>Proposed law</u> provides for definitions of "attorney", "litigation financer", "litigation financing", "litigation financing contract or agreement", "party", and "proprietary information".

<u>Proposed law</u> provides that except as otherwise stipulated by the parties or ordered by the court, a party or a party's attorney shall, without awaiting a discovery request and upon the later of 60 days after the commencement of a civil action or 60 days after execution of the litigation financing agreement, provide to all parties to the civil action, including their insurer, if prior to litigation, any litigation financing contract or agreement under which anyone, other than a legal representative permitted to charge a contingent fee representing a party, has received or has a right to receive compensation or proceeds that are contingent on and sourced from any proceeds of the civil action, by settlement, judgment, or otherwise.

<u>Proposed law</u> provides except as otherwise stipulated by the parties or ordered by the court, a party or a party's attorney shall, without awaiting a discovery request and upon the later of 60 days after the commencement of a civil action or 60 days after execution of the litigation financing agreement, provide to all parties to the litigation, including their insurer, if prior to litigation, any litigation financing contract or other agreement under which anyone, other than the party's attorney permitted to charge a contingent fee representing a party, has received or is entitled to receive, proprietary information obtained as a result of the civil action.

<u>Proposed law</u> further provides that the party or the party's attorney may redact the total dollar amount of litigation financing contractually agreed to between the party and the litigation financier prior to the production of the litigation financing contract to all other parties to the litigation.

<u>Proposed law</u> provides that the existence of litigation financing, litigation financing contract or agreement, and all participants in such financing arrangements are permissible subjects of discovery in all civil actions, including personal injury litigation or claims arising out of personal injuries.

<u>Proposed law</u> shall not apply to nonprofit legal organizations funded by private donors that represent clients on a pro bono, no-cost basis provided that the nonprofit legal organization seeks only injunctive relief on behalf of its clients. Awards of costs or attorney fees to nonprofit legal organizations shall not be affected by <u>proposed law</u>. <u>Proposed law</u> shall not be interpreted to require a nonprofit legal organization to disclose its donors or sources of funding.

<u>Proposed law</u> shall apply to any action filed or certified as a class action. In addition to the disclosure requirements set forth in <u>proposed law</u>, the attorney of the putative class shall disclose to all parties,

putative class members, and the court, any legal, financial, or other relationship between the attorney and the litigation financer.

<u>Proposed law</u> provides any litigation financing contract in violation of <u>proposed law</u> shall be an absolute nullity.

Effective August 1, 2024.

(Adds R.S. 9:3580.1-9:3580.5)