

PUBLICATION

COVID-19: Is Your Business Protected by Louisiana's Limited Liability Legislation?

June 17, 2020

Governor John Bel Edwards has signed a set of bills that will limit the liability for Louisiana businesses and governmental entities from (most) COVID-19-related claims for injuries or death. House Bill 826 (now Act No. 336) provides that no individual (natural or juridical) or governmental entity will be liable for civil damages resulting from exposure to COVID-19 in the course of business, unless there is evidence that the business or governmental entity was not in substantial compliance with applicable COVID-19 procedures and the injury or death was caused by the business or governmental entity's gross negligence. Of note, the bill recognizes the probability of multiple sources of applicable safety procedures from the federal, state, and local levels, and provides that the business/governmental entity only needs to substantially comply with any one applicable set of procedures. House Bill 826 also includes and specifically limits liability for event planners, venues, and trade show organizers, as well as manufacturers, distributors, and administrators of personal protective equipment. House Bill 826 additionally provides that employees who contract COVID-19 do not have a tort remedy against their employer, unless the exposure was caused by an intentional act.

Senate Bill 491, which has also been signed by Governor John Bel Edwards (now Act No. 303), offers the same liability protection for businesses that have pivoted to producing and distributing personal protective equipment. Senate Bill 508, signed by Governor John Bel Edwards and now Act No. 305, provides the same liability protection to restaurants providing takeout.

The important takeaway from this recent legislation is to ensure that your business substantially complies with state, federal, and local COVID-19 procedures. If your business is in substantial compliance with COVID-19, the recent legislation will shield your business from damages relating to COVID-19 exposure. To secure the protection afforded by this recent legislation, it is important that your business implement COVID-19 related best practices, including but not limited to:

1. **knowing** the federal, state, and local COVID-19 related safety procedures, and
2. **ensuring** compliance with these procedures by:

establishing internal policies and procedures for compliance;

communicating these policies and procedures with your employees, guests, patrons, customers, clients, and vendors; and

coordinating, communicating, and collaborating with local governmental agencies, chambers of commerce, and other businesses in your community.