

Department of Legislative Services
Maryland General Assembly
1999 Session

FISCAL NOTE

House Bill 1171 (Delegates Dembrow and Montague)

Judiciary

Courts - Transfer of Structured Settlement Payment Rights

This bill provides that a direct or indirect transfer of structured settlement payment rights is effective if the transfer has been authorized in a final order of a court based on a finding that the transfer is necessary, reasonable, or appropriate to enable the payee, the payee's dependents, or both to avoid financial hardship, and the transfer is not expected to subject the payee, the payee's dependents, or both to undue or unreasonable financial hardship in the future.

The transferee must file with the circuit court and serve on all interested parties a notice of the proposed transfer and an application for its authorization. The Workers' Compensation Commission or Commissioner of Insurance shall have standing to be heard on any matter relating to an application for authorization of a transfer of structured settlement payment rights.

The bill applies to any transfer of structured settlement payment rights under a transfer agreement entered into on or after the bill's October 1, 1999 effective date. The bill does not imply that any transfer under a transfer agreement entered into prior to October 1, 1999 is ineffective.

Fiscal Summary

State Effect: None. The bill would mainly benefit private parties and would not materially affect governmental finances.

Local Effect: None.

Small Business Effect: Potential minimal.

Information Source(s): Judiciary (Administrative Office of the Courts), Maryland Insurance Administration, Workers' Compensation Commission, Department of Legislative Services

Fiscal Note History: First Reader - March 17, 1999

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