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By: **Delegates Heller, Aumann, Bohanan, and Marriott (Joint Committee on the Management of Public Funds)**

Introduced and read first time: February 9, 2005

Assigned to: Judiciary

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Committee Report: Favorable

House action: Adopted

Read second time: March 1, 2005

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Maryland Tort Claims Act - Structured Settlements**

3 FOR the purpose of altering the definition of "structured settlement" in provisions of  
4 law authorizing the State to enter into structured settlements; and generally  
5 relating to structured settlements and claims under the Maryland Tort Claims  
6 Act.

7 BY repealing and reenacting, with amendments,  
8 Article - State Government  
9 Section 12-107  
10 Annotated Code of Maryland  
11 (2004 Replacement Volume)

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
13 MARYLAND, That the Laws of Maryland read as follows:

14 **Article - State Government**

15 12-107.

16 (a) A claim under this subtitle shall:

17 (1) contain a concise statement of facts that sets forth the nature of the  
18 claim, including the date and place of the alleged tort;

19 (2) demand specific damages;

1 (3) state the name and address of each party;

2 (4) state the name, address, and telephone number of counsel for the  
3 claimant, if any; and

4 (5) be signed by the claimant, or the legal representative or counsel for  
5 the claimant.

6 (b) The Treasurer may:

7 (1) consider a claim for money damages under this subtitle or delegate  
8 wholly or partly this responsibility to other State personnel; and

9 (2) contract for any support services that are needed to carry out this  
10 responsibility properly.

11 (c) (1) In this section, "structured settlement" means a plan for the payment  
12 of a SETTLEMENT OR judgment to a claimant for damages in periodic installments.

13 (2) Unless a contract with a private insurer provides otherwise, the  
14 Treasurer or designee may compromise and settle a claim for money damages after  
15 the Treasurer or designee consults with the Attorney General.

16 (3) The State may enter into a structured settlement to the extent  
17 permitted in § 12-104(a)(2) of this subtitle.

18 (4) If a structured settlement is entered into, the claimant shall select  
19 the investment company.

20 (5) The acceptance of a settlement by a claimant is, as to that claimant:

21 (i) final; and

22 (ii) a complete release of each claim arising from the same cause of  
23 action against:

24 1. the State;

25 2. each of its units; and

26 3. all State personnel.

27 (d) A claim under this subtitle is denied finally:

28 (1) if, by certified mail, return receipt requested, under a postmark of the  
29 United States Postal Service, the Treasurer or designee sends the claimant, or the  
30 legal representative or counsel for the claimant written notice of denial; or

31 (2) if the Treasurer or designee fails to give notice of a final decision  
32 within 6 months after the filing of the claim.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take  
2 effect July 1, 2005.