
By: **Senators Lawlah, Forehand, Haines, and McFadden (Joint Committee
on the Management of Public Funds)**

Introduced and read first time: February 4, 2005

Assigned to: Judicial Proceedings

A BILL ENTITLED

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;

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

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

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

1 (b) The Treasurer may:

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

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

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

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

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

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

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

16 (i) final; and

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

19 1. the State;

20 2. each of its units; and

21 3. all State personnel.

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

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

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

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