Department of Legislative Services

Maryland General Assembly 2006 Session

FISCAL AND POLICY NOTE

House Bill 1332 Judiciary (Delegate Conway, et al.)

Supersedeas Bonds - Expedited Appeal

This bill requires an expedited appeal if an appellant is required to file a supersedeas bond in excess of \$75 million in order to stay the execution of a judgment pending appeal.

Fiscal Summary

State Effect: Any increase in State expenditures to handle expedited appeals could be handled with the existing resources of the Judiciary.

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: The bill requires the Court of Special Appeals to decide the appellant's appeal on the merits within six months of the date on which the notice of appeal was filed and served. The Court of Special Appeals must provide parties in these cases the fullest opportunities for briefing and oral argument under the Maryland Rules. The limitations on briefing and oral argument pertaining to adoption, guardianship, child access, and child in need of assistance cases do not apply to these appeals.

Current Law: In general, an appellant may stay the enforcement of a civil judgment from which an appeal is taken by filing a supersedeas bond or alternative security with the clerk of the lower court. The bond or security may be filed at any time before

satisfaction of the judgment, but the enforcement is stayed from the time the security is filed. Usually the amount of the supersedeas bond is the sum that will cover the whole amount of the unsatisfied portion of the money judgment, plus interest, costs, and damages entered or awarded on appeal.

Supersedeas bonds are typically filed with and approved by the clerk of the court and must contain a surety, unless otherwise expressly provided. If a clerk refuses to approve a bond, or an adverse party objects in writing to the bond, the court may approve the bond after notice and a hearing, if necessary. Courts may require an increase or decrease in the face amount of a bond for good cause shown.

Under Rule 2-632, courts have the authority to enter a stay pending appeal without the filing of a supersedeas bond if the court determines that the nature of the action warrants the exception.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Judiciary (Administrative Office of the Courts), Department of

Legislative Services

Fiscal Note History: First Reader - February 24, 2006

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