

CHAPTER 149

(House Bill 387)

AN ACT concerning

Torts – Release of Claim for Damages – Voidable

FOR the purpose of altering the period during which a release of a claim for certain damages signed by an injured individual is voidable; altering the circumstances under which a release of a claim for certain damages is voidable; altering the period during which a certain power of attorney or employment contract signed by an injured individual is voidable; clarifying when a certain time period begins; requiring a certain notice that a certain release is voided to be in writing and accompanied by the return of certain money; providing that a certain release is void from the date that a certain notice is mailed; providing for the application of this Act; and generally relating to certain documents signed by injured individuals.

BY repealing and reenacting, with amendments,
Article – Courts and Judicial Proceedings
Section 5-401.1
Annotated Code of Maryland
(2006 Replacement Volume)

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

Article – Courts and Judicial Proceedings

5-401.1.

(a) **(1)** A release of the claim of an injured individual for damages resulting from a tort, signed by the injured individual within [5] **30** days of the infliction of the injuries **WITHOUT THE ASSISTANCE OR GUIDANCE OF AN ATTORNEY AT LAW**, and any power of attorney to or contract of employment with an attorney at law, with reference to recovery of damages for the tort, signed by the individual within [5] **30** days after the infliction of the injuries, shall be voidable **AT THE OPTION OF THE INJURED INDIVIDUAL** within 60 days [at the option of the injured individual] **AFTER THE DAY ON WHICH THE INDIVIDUAL SIGNED THE DOCUMENT**.

(2) (I) NOTICE THAT A RELEASE IS VOIDED UNDER THIS SUBSECTION BY THE INJURED INDIVIDUAL SHALL BE:

1. IN WRITING; AND

2. ACCOMPANIED BY THE RETURN OF ANY MONEY PAID TO THE INJURED INDIVIDUAL AS A RESULT OF THE SIGNING OF THE RELEASE.

(II) THE RELEASE IS VOID FROM THE DATE THAT THE NOTICE IS MAILED.

(b) A person whose interest is or may become adverse to an injured individual who is confined to a hospital or sanitarium as a patient may not, within 15 days from the date of the occurrence causing the patient's injury:

- (1) Negotiate or attempt to negotiate a settlement with the patient;
- (2) Obtain or attempt to obtain a general release of liability from the patient; or
- (3) Obtain or attempt to obtain any statement, either written or oral from the patient, for use in negotiating a settlement or obtaining a release.

(c) Any settlement agreement entered into or any general release of liability made by any individual who is confined in a hospital or sanitarium after the individual incurs a personal injury may not be used in evidence in any court action relating to the injury and may not be used for any purpose in any legal action in connection with the injury if the settlement agreement or release is obtained contrary to the provisions of subsection (b) of this section.

(d) A release executed by an individual who has sustained personal injuries does not discharge a subsequent tort-feasor:

- (1) Who is not a party to the release; and
- (2) (i) Whose responsibility for the individual's injuries is unknown at the time of execution of the release; or
- (ii) Who is not specifically identified in the release.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to apply only prospectively and may not be applied or interpreted to have any effect on or application to any injury occurring before the effective date of this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2007.

Approved by the Governor, April 24, 2007.