

HOUSE BILL 1509

D3

0lr3265

By: **Delegate Anderson**

Introduced and read first time: March 4, 2010

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Judgments – Appeals – Supersedeas Bond**

3 FOR the purpose of limiting the amount of a supersedeas bond required of an
4 appellant to stay the enforcement of a judgment in certain actions under certain
5 circumstances; providing that this Act applies only to an appellant who is a
6 participating manufacturer in a certain tobacco settlement agreement;
7 providing for a certain exception; defining a certain term; providing for the
8 application of this Act; and generally relating to supersedeas bonds.

9 BY repealing and reenacting, without amendments,
10 Article – Business Regulation
11 Section 16–402(f)
12 Annotated Code of Maryland
13 (2004 Replacement Volume and 2009 Supplement)

14 BY adding to
15 Article – Courts and Judicial Proceedings
16 Section 12–301.1
17 Annotated Code of Maryland
18 (2006 Replacement Volume and 2009 Supplement)

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

21 **Article – Business Regulation**

22 16–402.

23 (f) “Master Settlement Agreement” means the settlement agreement and
24 related documents entered into on November 23, 1998, by the State and leading
25 United States tobacco product manufacturers.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **Article – Courts and Judicial Proceedings**

2 **12-301.1.**

3 **(A) IN THIS SECTION, “MASTER SETTLEMENT AGREEMENT” HAS THE**
4 **MEANING STATED IN § 16-402 OF THE BUSINESS REGULATION ARTICLE.**

5 **(B) THIS SECTION APPLIES ONLY TO AN APPELLANT WHO IS A**
6 **PARTICIPATING MANUFACTURER AS THAT TERM IS DEFINED IN SECTION II(JJ)**
7 **OF THE MASTER SETTLEMENT AGREEMENT.**

8 **(C) NOTWITHSTANDING ANY OTHER LAW OR COURT RULE AND EXCEPT**
9 **AS PROVIDED IN SUBSECTION (D) OF THIS SECTION, IN AN APPEAL FROM A**
10 **JUDGMENT ENTERED IN FAVOR OF THE PLAINTIFFS IN AN ACTION CERTIFIED AS**
11 **A CLASS ACTION OR IN AN ACTION BY MULTIPLE PLAINTIFFS IN WHICH**
12 **DAMAGES ARE NOT PROVED FOR EACH PLAINTIFF INDIVIDUALLY, THE AMOUNT**
13 **OF THE SUPERSEDEAS BOND REQUIRED OF THE APPELLANT TO STAY**
14 **ENFORCEMENT OF A JUDGMENT MAY NOT EXCEED \$200,000,000, REGARDLESS**
15 **OF THE AMOUNT OF THE JUDGMENT.**

16 **(D) IF AN APPELLEE PROVES BY A PREPONDERANCE OF THE EVIDENCE**
17 **THAT AN APPELLANT IS DISSIPATING ASSETS OUTSIDE THE ORDINARY COURSE**
18 **OF BUSINESS TO AVOID THE PAYMENT OF A JUDGMENT, THE COURT MAY**
19 **REQUIRE THE APPELLANT TO POST A BOND IN AN AMOUNT UP TO THE FULL**
20 **AMOUNT OF THE JUDGMENT.**

21 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all
22 civil actions pending on or filed on or after the effective date of this Act.

23 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
24 October 1, 2010.