

HOUSE BILL 650

D1, K3

2lr1651

By: **Delegate Brooks**

Introduced and read first time: January 31, 2022

Assigned to: Judiciary

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 9, 2022

CHAPTER _____

1 AN ACT concerning

2 **Execution on a Judgment – Child Support Arrearage – Workers’ Compensation**

3 FOR the purpose of specifying that a certain percentage of the net recovery by the debtor
4 on a claim for workers’ compensation is subject to execution on a judgment for a child
5 support arrearage; and generally relating to executions on a judgment.

6 BY repealing and reenacting, with amendments,
7 Article – Courts and Judicial Proceedings
8 Section 11–504(i)
9 Annotated Code of Maryland
10 (2020 Replacement Volume and 2021 Supplement)

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

13 **Article – Courts and Judicial Proceedings**

14 11–504.

15 (i) (1) In this subsection, “net recovery” means the sum of money to be
16 distributed to the debtor after deduction of attorney’s fees, expenses, medical bills, and
17 satisfaction of any liens or subrogation claims arising out of the claims for personal injury,
18 including those arising under:

19 (i) The Medicare Secondary Payer Act, 42 U.S.C. § 1395y;

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 (ii) A program of the Maryland Department of Health for which a
2 right of subrogation exists under §§ 15–120 and 15–121.1 of the Health – General Article;

3 (iii) An employee benefit plan subject to the federal Employee
4 Retirement Income Security Act of 1974; [or]

5 (iv) A health insurance contract; OR

6 (V) A WORKERS' COMPENSATION INSURANCE PLAN.

7 (2) Twenty–five percent of the net recovery by the debtor [on a claim for
8 personal injury] is subject to execution on a judgment for a child support arrearage ON A
9 CLAIM FOR:

10 (I) PERSONAL INJURY; OR

11 (II) WORKERS' COMPENSATION, ~~INCLUDING:~~

12 ~~1. TEMPORARY PARTIAL DISABILITY;~~

13 ~~2. TEMPORARY TOTAL DISABILITY;~~

14 ~~3. PERMANENT PARTIAL DISABILITY;~~

15 ~~4. PERMANENT TOTAL DISABILITY; AND~~

16 ~~5. VOCATIONAL REHABILITATION COMPENSATION~~
17 INDEMNITY BENEFITS, INCLUDING ANY WEEKLY BENEFITS OR SETTLEMENT
18 PROCEEDS PAYABLE TO THE DEBTOR.

19 (3) PARAGRAPH (2) OF THIS SUBSECTION MAY NOT BE CONSTRUED
20 TO LIMIT RECOVERY OTHERWISE ALLOWED UNDER THE FEDERAL CONSUMER
21 CREDIT PROTECTION ACT.

22 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
23 October 1, 2022.