

HOUSE BILL 800

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3lr2836
CF SB 71

By: **Delegates Phillips, Addison, Bartlett, Bouchat, Crutchfield, Henson, Lehman, McCaskill, Moon, Pasteur, Rogers, Schmidt, Simpson, Taveras, Taylor, Toles, and Wilkins**

Introduced and read first time: February 8, 2023

Assigned to: Judiciary

A BILL ENTITLED

1 AN ACT concerning

2 **Execution on a Judgment – Child Support Arrearages – 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 2022 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;

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

(iv) A health insurance contract; **OR**

(v) A WORKERS' COMPENSATION INSURANCE PLAN.

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

(I) PERSONAL INJURY; OR

(II) WORKERS' COMPENSATION INDEMNITY BENEFITS, INCLUDING ANY WEEKLY BENEFITS OR SETTLEMENT PROCEEDS PAYABLE TO THE DEBTOR.

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

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2023.