

Chapter 320

(House Bill 800)

AN ACT concerning

Execution on a Judgment – Child Support Arrearages – Workers’ Compensation

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

BY repealing and reenacting, with amendments,
 Article – Courts and Judicial Proceedings
 Section 11–504(i)
 Annotated Code of Maryland
 (2020 Replacement Volume and 2022 Supplement)

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

Article – Courts and Judicial Proceedings

11–504.

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

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

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

(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.

Approved by the Governor, May 3, 2023.