

Committee on Judiciary

CS/SB 458 — Transfers of Structured Settlement Payment Rights

by Banking and Insurance Committee and Senator Richter

This bill makes changes to the laws governing the transfer of the right to receive payments under a structured settlement agreement. The changes made by the bill:

- Specify that the court having jurisdiction over an application to transfer structured settlement payment rights is the court where the payee resides or, if the payee does not reside in this state, the court that approved the structured settlement agreement or the court in which a claim was pending which led to the structured settlement agreement;
- Require an applicant seeking to receive the payments under a structured settlement agreement to provide additional information about the payee in its application to the court;
- Require the payee to appear in court for the hearing on the application unless good cause exists to excuse the payee's attendance;
- Grant immunity to structured settlement obligors and annuity issuers that act in reliance on court orders approving the transfer of a structured settlement agreement;
- Make structured settlement obligors and annuity issuers immune from liability for a transferee's failure to provide required disclosures to the payee or to provide all the required information in its application to the court; and
- Allow the transfer of structured settlement payments notwithstanding the terms of a structured settlement agreement prohibiting those transfers.

The bill may result in more favorable terms for payees who seek to sell the right to payments under their structured settlement agreements. The bill also increases the marketability of structured settlement payment rights.

These provisions became law upon approval by the Governor on March 10, 2016.

Vote: Senate 37-0; House 116-0