

SENATE SUMMARY OF HOUSE AMENDMENTS

SB 537

2018 Regular Session

Luneau

KEYWORD AND SUMMARY AS RETURNED TO THE SENATE

CIVIL PROCEDURE. Provides relative to minor's funds from a judgment or settlement. (8/1/18)

SUMMARY OF HOUSE AMENDMENTS TO THE SENATE BILL

1. Deletes all provisions of proposed law enacting C.C.P. Art. 4269.2.
2. Replaces present law (C.C.P. Art. 4272) with a cross-reference to the court approval of payments pursuant to C.C.P. Art. 4521.
3. Adds language to C.C.P. Art. 4521 to provide for the investment of funds in an interest-bearing account, to specify that a trust be administered by an individual or corporate trustee, to require court approval of structured settlement agreements, and to provide for the approval of the payment of funds to an unemancipated minor who is in the legal custody of the Dept. of Children and Family Services.

DIGEST OF THE SENATE BILL AS RETURNED TO THE SENATE

SB 537 Reengrossed

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Present law (C.C.P. Arts. 4272(A) and 4521(A)(1)) authorizes the court to order that money being paid to a minor as the result of a judgment or settlement be paid directly into the registry of the court for the minor's account, and that such money be withdrawn only upon approval of the court.

Proposed law deletes the duplicate provision from C.C.P. Art. 4272(A) and also adds to C.C.P. Art. 4521(A)(1) the requirement that withdrawn funds be invested in a interest-bearing investment approved by the court, unless the court for good cause approves another disposition.

Present law (C.C.P. Arts. 4272(B)) provides that in approving any proposal by which money will be paid to an unemancipated minor who is in the legal custody of the Dept. of Children and Family Services, the court shall order that the money be placed in trust.

Proposed law moves present law to proposed law C.C.P. Art. 4521(B).

Present law (C.C.P. Arts. 4272(C)(1) and 4521(A)(4)) provides that in approving any proposal by which money will be paid to the minor as the result of a judgment or settlement, the court may order that the money be paid under a structured settlement agreement which provides for periodic payments and is underwritten by a financially responsible entity that assumes responsibility for future payments.

Proposed law deletes the duplicate provision from C.C.P. Art. 4272(C)(1) and adds the requirement of court approval to C.C.P. Art. 4521(A)(4).

Present law (C.C.P. Arts. 4272(C)(2) and 4521(B)) provides the following factors for the court's consideration when determining investments and disbursements of the minor's funds:

- (1) Age and life expectancy of the minor.
- (2) Current and anticipated financial needs of the minor.
- (3) Income and estate tax implications.
- (4) Impact on eligibility for government benefits.
- (5) Present value of proposed payment arrangement and the method by which the value is calculated.

Proposed law deletes the duplicate provision from C.C.P. Art. 4272(C)(2).

Proposed law (C.C.P. Arts. 4272) further provides that court approval of payments to a minor shall be governed by the provisions of proposed law C.C.P. Art. 4521.

Present law (C.C.P. Art. 4521(A)(2)) authorizes the funds to be invested directly in an investment approved by the court.

Proposed law retains present law and requires the investment to be interest-bearing.

Present law (C.C.P. Art. 4521(A)(3)) authorizes the funds to be placed in trust in accordance with the Louisiana Trust Code.

Proposed law retains present law and specifies that the trust be administered by an individual or corporate trustee as determined by the court.

Present law authorizes any combination of the present law methods of managing the minor's funds.

Proposed law retains present law.

Effective August 1, 2018.

(Amends C.C.P. Arts. 4272 and 4521)

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