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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Xavier I. Alexander.

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SB 193 Original

DIGEST  
2019 Regular Session

Morrish

Proposed law enacts the Louisiana Structured Settlement Act.

Proposed law provides for definitions. Provides relative to the registration and renewal of a structured settlement company. Requires transferees to be registered as a structured settlement purchase company with the secretary of state, through a form prescribed by the secretary of state. Provides that a structured settlement purchase company shall renew its registration annually.

Proposed law provides relative to prohibited acts by a transferee or structured settlement purchase company and an transferee, employee or representative of a structured settlement purchase company. Further provides that a payee may pursue a private action as a result of a violation of proposed law and a structured settlement purchase company may pursue a private action to enforce certain portions of proposed law. Such violation may result in the revocation of the registration of the structured settlement purchase company, as well as damages allowed by law.

Proposed law provides that a transferee must provide evidence to the court that he is registered to do business in the state as a structured settlement purchase company. Further provides that the transferee submit certain disclosures to the payee.

Proposed law provides that no transfer of structured settlement payment rights shall be effective unless approved in a final court order. Provides that the court must find that the transfer is the best interest of payee, the payee has been advised in writing to seek independent professional advise regarding the transfer, and transfer does not contravene any statute, court order, or government authority.

Proposed law provides for effects of a transfer of structured settlement payment rights. Provides that transferee shall be liable to the structured settlement obligor and annuity issuer if transferee contravenes the terms of the structured settlement and for any other liability or costs arising out of compliance issues.

Proposed law provides that annuity issuer and structured settlement obligor may not be required to divide any periodic payment with payee and transferee.

Proposed law provides that an application for transfer under proposed law shall be brought in a court of general jurisdiction in the parish where the payee is domiciled. If payee is not domiciled in this state the application shall be brought in the court that approved the structured settlement agreement.

Proposed law provides that a timely hearing shall be held for approval of a transfer of structured

settlement payment rights. The payee shall be present at hearings unless good cause is shown.

Proposed law provides that notice of the proposed transfer and application for authorization shall be served on all interested parties not less than 20 days prior to the scheduled hearing on any application of approval. Notice shall consist of:

- (1) A copy of the application.
- (2) A copy of the transfer agreement.
- (3) A copy of the disclosure statement required under the proposed law.
- (4) Payee's name, age, parish of domicile, and number and ages of each dependent.
- (5) A summary of any prior transfers by payee to transferee and any prior transfers by payee to any person or entity other than transferee.

Proposed law that the provisions of the proposed law may not be waived by any payee. Further provides that all disputes on transfer agreement signed in this state shall be litigated in this state.

Proposed law provides that no transfer of structured settlement payment rights shall extend to any payments that are life contingent, unless certain criteria is met by the transferee.

Proposed law repeals R.S. 9:2715, the present law providing relative to the transfer of structured settlement rights.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Adds R.S. 9:2713-2713.9; repeals R.S. 9:2715)