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SENATE COMMITTEE AMENDMENTS

2019 Regular Session

Amendments proposed by Senate Committee on Judiciary A to Original Senate Bill No. 193  
by Senator Morrish

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1 AMENDMENT NO. 1

2 On page 3, line 9, delete "two years" and insert "one year"

3 AMENDMENT NO. 2

4 On page 4, between lines 21 and 22 insert:

5 (24) "Transfer expense" means all expenses of a transfer that are required  
6 under the transfer agreement to be paid by the payee or deducted from the gross  
7 advance amount, including, without limitation, court filing fees, attorney fees, escrow  
8 fees, lien recordation fees, judgment and lien search fees, finders' fees, commissions,  
9 and other payments to a broker or other intermediary. "Transfer expenses" shall not  
10 include preexisting obligations of the payee payable for the payee's account from the  
11 proceeds of a transfer.

12 (25) "Transfer order" means an order approving a transfer in accordance with  
13 Section 2713.6 of this Act."

14 AMENDMENT NO. 3

15 On page 4, line 22, delete "(24)" and insert "(26)"

16 AMENDMENT NO. 4

17 On page 4, line 27, after "state," delete "and" and insert "or"

18 AMENDMENT NO. 5

19 On page 5, line 10, after "company" insert a "." and delete remainder of the line.

20 AMENDMENT NO. 6

21 On page 5, delete lines 11 and 12 and insert the following:

22 "(a) The bond shall be payable to the state of Louisiana.

23 (b) The bond shall be effective for at least the time period during which the  
24 applicant's registration with the secretary of state is effective and the bond must be  
25 renewed each year when the registration of the applicant is renewed.

26 (c) The applicant shall submit to the secretary of state a copy of the bond with  
27 its registration or renewal application.

28 (d) The bond is intended to ensure that the structured settlement purchase  
29 company will comply with the provisions of this Act relative to the payee and perform  
30 its obligations to payee under this Act, and to provide a source for recovery for the  
31 payee should a payee recover a judgment against a structured settlement purchase  
32 company for a violation of this Act.

33 (e) Within ten days after a judgment is secured against a structured settlement  
34 purchase company by a payee, the structured settlement purchase company shall  
35 provide notice to the secretary of state and the surety providing a copy of the judgment  
36 and the name and address of the judgment creditor, and include the status of the  
37 matter, including whether the judgment will be appealed, or has been paid or satisfied,

1 such that the secretary may provide information regarding the bond to the judgment  
2 creditor.

3 (f) Once the judgment is final and no longer subject to appeal, and if the  
4 judgment has not been paid or satisfied within thirty days after the judgment has  
5 become final, the secretary of state shall notify the surety company to pay the  
6 judgment, up to the amount of the bond, by making payment to the judgment creditor,  
7 and providing evidence to the secretary of state that payment has been made to the  
8 judgment creditor in the lesser of the amount of the judgment or the amount of the  
9 bond.

10 (g) The liability of the surety under the bond shall not be affected by any breach  
11 of contract, breach of warranty, failure to pay a premium or other act or omission of  
12 the bonded structured settlement purchase company, or by any insolvency or  
13 bankruptcy of the structured settlement purchase company.

14 (h) Neither the bonded structured settlement purchase company nor the surety  
15 shall cancel or modify the bond during the term for which it is issued, except with  
16 written notice to the secretary of state at least twenty days prior to the effective date  
17 of such cancellation or modification.

18 (i) In the event of a cancellation of the bond, the registration of the structured  
19 settlement purchase company shall automatically expire unless a new surety bond,  
20 letter of credit, or cash bond, which complies with this Subsection, is submitted to the  
21 secretary of state. The cancellation or modification of a bond does not affect any  
22 liability of the bonded surety company incurred before cancellation or modification of  
23 the bond.

24 (j) In lieu of a surety bond, a structured settlement purchase company may  
25 provide a letter of credit or post a cash bond in the amount of fifty thousand dollars to  
26 provide the same type or protection to a payee as provided by the surety bond."

27 AMENDMENT NO. 7

28 On page 6, delete line 5, and insert "this Act."

29 AMENDMENT NO. 8

30 On page 6, line 6, delete "timely"

31 AMENDMENT NO. 9

32 On page 6, line 8, delete "Receive or divert" and insert "Acquire"

33 AMENDMENT NO. 10

34 On page 6, delete lines 11 through 21 and insert the following:

35 "(4) Intentionally file a structured settlement transfer proceeding in any court  
36 other than the court specified in Section 2713.8(A), unless the transferee is required to  
37 file in some other court by other applicable law.

38 (5) Pay a commission or finders fee to a person or entity for facilitating or  
39 arranging a structured settlement transfer with a payee, unless such person or entity  
40 is registered as a structured settlement purchase company or is an employee of a  
41 registered structured settlement purchase company. A structured settlement purchase  
42 company may pay to third parties routine transfer expenses, such as court filing fees,  
43 escrow fees, lien recordation fees, judgment and lien search fees, attorney fees, and  
44 other similar type of fees relating to a transfer. A structured settlement purchase  
45 company may pay a reasonable referral fee to an attorney, certified public accountant,

1 actuary, licensed insurance agent, or other licensed professional advisor in connection  
2 with a transfer."

3 AMENDMENT NO. 11

4 On page 6, line 22, delete "and willfully"

5 AMENDMENT NO. 12

6 On page 7, line 3, after "proceeding." delete the remainder of the line and delete lines 4  
7 through 28, and insert the following:

8 " However, this shall not preclude a structured settlement purchase company  
9 from intervening in a pending structured settlement transfer proceeding where the  
10 payee has signed a transfer agreement with the intervening structured settlement  
11 purchase company within sixty days prior to the filing of the pending structured  
12 settlement transfer proceeding, and the intervening structured settlement purchase  
13 company who filed the pending structured settlement transfer proceeding violated any  
14 of the provisions of the Louisiana Structured Settlement Act in connection with the  
15 proposed transfer that is the subject of the pending structured settlement transfer  
16 proceeding.

17 (10) Knowingly contact a payee who has signed a transfer agreement and is  
18 pursuing a proposed transfer with another structured settlement purchase company  
19 for the purpose of inducing the payee into canceling the proposed transfer or transfer  
20 agreement with the other structured settlement purchase company, if a structured  
21 settlement transfer proceeding has been filed by the other structured settlement  
22 purchase company and is pending. However, if no hearing has been held in the pending  
23 structured settlement transfer proceeding within ninety days of the filing of same, this  
24 paragraph shall not apply.

25 (11) Refusing to dismiss a pending structured settlement transfer proceeding at  
26 the request of the payee. A dismissal of a structured settlement proceeding under this  
27 Subsection shall not exempt a person who violates this Section from any liability under  
28 this Section."

29 AMENDMENT NO. 13

30 On page 8, line 6, after "of such" delete the remainder of the line and delete lines 7 and 8,  
31 and insert:

32 "Subsections, and may recover all damages and pursue all remedies to which the  
33 structured settlement purchase company may be entitled under the Louisiana  
34 Structured Settlement Act or other applicable law."

35 AMENDMENT NO. 14

36 On page 8, line 13, delete "purchased" and insert "purchase company"

37 AMENDMENT NO. 15

38 On page 8, delete lines 18 through 20 and insert:

39 "A. A payee may file an action to have a transfer order vacated in the court that  
40 signed the transfer order within two years of the date the transfer order was signed if  
41 the transferee was not registered with the secretary of state at the time the transfer  
42 order was signed by the court. A payee may seek other remedies, as provided by  
43 Subsection 2713.4(A) as a result of the transferee not being registered as a structured  
44 settlement purchase company at the time the transfer order was signed but may not  
45 vacate the transfer order. An annuity issuer or structured settlement obligor shall not  
46 have any obligation or responsibility to ensure that a transferee is registered to do

1 **business with the state as a structured settlement purchase company and shall have no**  
2 **liability to a payee who seeks to vacate a transfer order under Subsection 2713.4(A),**  
3 **including for any structured settlement payments made to a transferee or assignee in**  
4 **accordance with a transfer order prior to the date that the annuity issuer or structured**  
5 **settlement obligor receives actual notice that a transfer order has been vacated.**

6 AMENDMENT NO. 16

7 On page 8, line 24, after "**business in**" delete the remainder of the line and delete lines 25  
8 through 27 and insert the following:

9 **"this state as a structured settlement purchase company at the time the transfer**  
10 **order is signed by the court."**

11 AMENDMENT NO. 17

12 On page 8, line 29, change "**that**" to "**than**"

13 AMENDMENT NO. 18

14 On page 9, line 26, after "**obligation,**" delete remainder of the line and delete line 27 and  
15 insert the following:

16 **"until the transfer is approved by the court."**

17 AMENDMENT NO. 19

18 On page 10, between lines 1 and 2 insert:

19 **" (11) The payee is entitled to seek out and consider additional offers for**  
20 **transferring the structured settlement payments and should do so."**

21 AMENDMENT NO. 20

22 On page 10, line 15, after "**contravene**" delete "**law**" and insert "**any applicable statute**"

23 AMENDMENT NO. 21

24 On page 10, line 26, after "**transfer**" delete the period and insert "**,or by the fact that the**  
25 **transfer order is vacated by the payee in accordance with Subsection 2713.4(A).**"

26 AMENDMENT NO. 22

27 On page 11, line 6, after "**party to**" insert "**the**"