

BILL ANALYSIS

H.B. 1666
By: Hartnett
Judicial Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

A “structured settlement” is an arrangement for the periodic payment of damages for personal injury or sickness established by the settlement or judgment of a tort or workers’ compensation claim. At times, people entitled to payments under a structured settlement sell the rights to these payments for a discounted lump sum. Some of the buyers of these payment rights are unscrupulous, so the 77th Legislature enacted the Structured Settlement Protection Act (Civil Practice and Remedies Code section 141.001 et seq.) in 2001 (the “SSPA”).

The SSPA required court approval of agreements to sell periodic payment rights arising from structured settlements. Statutory probate courts, however, were inadvertently omitted from the definition of a “court” in the SSPA. H.B. 1666 corrects this oversight in the SSPA.

RULEMAKING AUTHORITY

It is the committee’s opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 1666 amends the Civil Practice and Remedies Code to include statutory probate courts within the types of courts that can authorize or approve the transfer of payment rights under a structured settlement if the court of original jurisdiction that authorized or approved the structured settlement no longer has jurisdiction to approve transfer of payment rights.

EFFECTIVE DATE

September 1, 2003.