



SPONSOR: Rep. VanSant & Rep. Ewing, & Sen. Bonini, & Sen. Vaughn

HOUSE OF REPRESENTATIVES

143rd GENERAL ASSEMBLY

HOUSE BILL NO. 168
AS AMENDED BY
HOUSE AMENDMENT NOS. 1 & 2

AN ACT TO AMEND TITLE 10 CHAPTER 66 OF THE DELAWARE CODE RELATING TO THE SALE OR TRANSFER OF STRUCTURED SETTLEMENTS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

Section 1. Amend Title 10, Section 6602 by adding a new subsection (t) thereto as follows:

"(t) 'Transferee' or 'payor' shall mean the person, firm or entity purchasing or receiving the assignment, pledge, hypothecation or other form of alienation or encumbrance made by a payee for consideration under a structured settlement agreement."

Section 2. Amend Title 10, Section 6603(b) by deleting said subsection and substituting in lieu thereof the following:

"(b) Not less than 20 days prior to the scheduled hearing on any application for authorization of a transfer of structured settlement payment rights under §6601 of this Title, the transferee shall file with the Court and serve on any other government authority which previously approved the structured settlement and on all interested parties a notice of the proposed transfer and application of its authorization, including in such notice:

- (1) a copy of the transferee's application;
- (2) a copy of the transfer agreement;
- (3) a copy of the disclosure statement required under §6601(b) of this Title;
- (4) notification that any interested party is entitled to support, oppose or otherwise respond to the transferee's application, either in person or by counsel, by submitting written comments to the Court or responsible administrative authority or by participating in the hearing; and

(5) notification of the time and place of the hearing and notification of the manner in which and the time by which written responses to the application must be filed (which shall be not less than fifteen [15] days after service of the transferee's notice) in order to be considered by the Court or responsible administrative authority."

Section 3. Amend Title 10, Section 6603 by adding a new subsection (d) thereto as follows:

“(d) In cases where the payee shall not be represented by counsel, or where the payee and the transferee shall be represented by the same counsel, and the Court, in the exercise of its reasonable discretion, finds that the payee does not adequately comprehend the substance of the transaction, the Court may appoint an attorney ad litem who shall advise the Court if, in their opinion, the requirements of §6601 have been met. The costs and fees incurred by such attorney ad litem shall be borne by the payor or transferee and shall not be passed on to the payee or deducted from the payee's structured settlement agreement proceeds, provided that such costs do not exceed \$500.”