S T A T E O F N E W Y O R K

2856

2009-2010 Regular Sessions

I N S E N A T E

March 4, 2009

Introduced by Sen. DeFRANCISCO -- read twice and ordered printed, and when printed to be committed to the Committee on Judiciary

AN ACT to amend the general obligations law, in relation to court approvals of transfers of structured settlements

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Section 5-1705 of the general obligations law, as added by chapter 537 of the laws of 2002, is amended to read as follows:

S 5-1705. Procedure for approval of transfers. (a) An action for approval of a transfer of a structured settlement shall be by a special proceeding BROUGHT ON ONLY BY ORDER TO SHOW CAUSE.

(b) Such proceeding shall be commenced to obtain approval of a transfer of structured settlement payment rights. Such proceeding shall be commenced:

(i) in the supreme court of the county in which the payee resides; or

(ii) in any court which approved the structured settlement agreement.

(c) A copy of the [notice of petition and petition or] order to show cause and petition shall be served upon all interested parties at least twenty days before the time at which the petition is noticed to be heard. A response shall be served at least seven days before the petition is noticed to be heard.

(d) A petition for approval of a transfer of structured settlement payment rights shall include:

(i) a copy of the transfer agreement;

(ii) a copy of the disclosure statement and proof of notice of that statement required under section 5-1703 of this title; [and]

(iii) a listing of each of the payee's dependents, together with each dependent's age; AND

(IV) A STATEMENT SETTING FORTH WHETHER THERE HAVE BEEN ANY PREVIOUS TRANSFERS OR APPLICATIONS FOR TRANSFER OF THE STRUCTURED SETTLEMENT

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets [ ] is old law to be omitted.

LBD04780-01-9

PAYMENT RIGHTS AND GIVING DETAILS OF ALL SUCH TRANSFERS OR APPLICATIONS FOR TRANSFER.

(E) ON THE HEARING, THE PAYEE SHALL ATTEND BEFORE THE COURT UNLESS ATTENDANCE IS EXCUSED FOR GOOD CAUSE.

S 2. This act shall take effect on the first of January next succeeding the date on which it shall have become a law.