§ 2220. Payment of share of infant, incompetent or conservatee or person under disability

1. Where an infant, incompetent, conservatee, or person under disability is entitled to money or property as beneficiary of an estate or to the proceeds of any action brought as prescribed in EPTL 5-4.1 or to the proceeds of a settlement of a cause of action for personal injuries, the decree or order shall direct that it be paid or delivered to the guardian, committee or conservator of the property of such person upon the filing of sufficient security, except as provided in EPTL 7-4.9 or 11-1.1, unless the money or property payable or deliverable to the infant, incompetent, or conservatee, or person under disability does not exceed in value $10,000, in which case the decree or order may order it to be paid or delivered to a parent of such person or to some competent adult with whom such person resides or who has some interest in such person's welfare, for the use and benefit of such person.

2. If the sum payable to a patient in an institution in the state department of mental hygiene is not in excess of the amount which the director of the institution is authorized to receive pursuant to section 29.23 of the mental hygiene law, the decree or order may order it to be paid to such director for use as provided in that section.

3. If there be no guardian, committee or conservator of the property the decree or order may provide that the sum payable to the infant, incompetent or person under substantial impairment within the meaning of the conservatorship provisions of article seventy-seven of the mental hygiene law not disposed of as above be paid into the court or the court may order that money constituting any part of the property be deposited in one or more specified insured banks or trust companies or be invested in one or more specified accounts in insured savings and loan associations subject to withdrawal only upon order of the court, except that no court order shall be required to pay over to the infant who has attained the age of eighteen years all moneys so held unless the depository is in receipt of an order from a court of competent jurisdiction directing it to withhold such payment beyond the infant's eighteenth birthday.

4. If money or property is payable or deliverable under subdivision one of this section to a person under disability as defined in article seventy-seven of the mental hygiene law, the court may pursuant to such article appoint a conservator provided that: the person under the disability resides within the county in which the proceeding is pending; no guardian, committee or conservator has been appointed by the supreme court or county court; and the money or property is to be paid or delivered to the conservator.

5. If any proceeds payable to an infant, incompetent or person under disability pursuant to this section are proposed to be paid by way of a structured settlement, which shall include any settlement whose terms contain provisions for the payment of funds on an installment basis, the court may approve such settlement, provided that, with respect to future installment payments, the court may order that each party liable for such payments shall fund such payments, in an amount necessary to assure the future payments, in the form of an annuity contract executed by a qualified insurer and approved by the superintendent of financial services pursuant to articles fifty-A and fifty-B of the civil practice law and rules.