

Honolulu, Hawaii
March 2, 2006

RE: H.B. No. 1977
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred H.B. No. 1977 entitled:

"A BILL FOR AN ACT RELATING TO STRUCTURED SETTLEMENTS,"

begs leave to report as follows:

The purpose of this bill is to establish the Structured Settlement Protection Act to implement procedures for the creation of annuities used as settlement proceeds in structured settlements.

The American Council of Life Insurers, National Association of Insurance and Financial Advisors, National Association of Settlement Purchasers, and a concerned individual testified in support of this bill.

Your Committee has amended this bill by:

- (1) Removing references to workers' compensation claims with regard to the definitions of "settled claim" and "structured settlement agreement";
- (2) Providing a non-hearing option for determining applications for approval of transfers of structured settlement payment rights;



- (3) Providing that only the court that approved the structured settlement agreement can hear an application for a transfer of the structured settlement payment rights; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1977, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1977, H.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Judiciary,



SYLVIA LUKE, Chair



