

Honolulu, Hawaii

MAR 24 2006

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

Honorable Robert Bunda
President of the Senate
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

Your Committee on Commerce, Consumer Protection, and Housing, to which was referred H.B. No. 1977, H.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to establish procedures for the creation of annuities used as settlement proceeds in structured settlements.

Testimony in support of this measure was submitted by the National Association of Settlement Purchasers and Ringler Associates. No testimony in opposition to this measure was received by your Committee.

Your Committee finds that forty-three states currently have structured settlement protection statutes similar to this measure. Your Committee further finds that this measure is intended to protect settlement recipients and other parties to structured settlements.

Upon further consideration, your Committee has amended this measure by:

- (1) Allowing an application for approval of a transfer of a structured settlement payment right to be brought in any court or before any responsible administrative authority meeting specific requirements. This amendment was



proposed by the National Association of Settlement Purchasers and Ringler Associates as a measure that would benefit recipients of structured settlement payments by providing the appropriate court or administrative forum with greater flexibility to consider changed circumstances when considering an application; and

- (2) Amending the process in which a court or administrative authority considers an application by deleting language that made an oral hearing by the court optional. This amendment was proposed by Ringler Associates as a means to afford important protections to a structured settlement recipient and allow the independent assessment of an application by a court or administrative authority through the process of oral hearings.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1977, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1977, H.D. 1, S.D. 1, and be referred to the Committee on Judiciary and Hawaiian Affairs.

Respectfully submitted on
behalf of the members of the
Committee on Commerce, Consumer
Protection, and Housing,



RON MENOR, Chair



