



Judicial Impact Statement

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Shawn Welch, Esq., Deputy Legislative Counsel

JUDICIAL IMPACT STATEMENT: STRUCTURED SETTLEMENTS REFORM

SB 152

HB 223

TITLE INFORMATION

To amend Revised Code Section 2323.58, *et seq.*, to modernize the structured settlement statutes to provide improved standards for probate court approval of transfers of structured settlements.

IMPACT SUMMARY

This proposal, which is part of the Ohio Judicial Conference Legislative Platform 2017-18, will improve public confidence in the law by clarifying and improving the structured settlement transfer procedure.

BACKGROUND

In 2000, the legislature passed Senate Bill 260 to establish a procedure to require approval by a court of the transfer of payment rights of a payee under a structured settlement of periodic payments of damages in tort actions. The bill was designed to provide consumers with protections that would help them to make informed decisions about their futures and arose because of concerns over the conversion of long-term security into fast cash with excessive interest rates and a lack of disclosure to consumers of contract terms. S.B. 260 enacted Revised Code Sections 2323.58 to 2323.587 to require, among other things, probate court approval of the transfer of structured settlement rights.

The structured settlement statutes have not been updated since S.B. 260. The Ohio Judicial Conference's Probate Law and Procedure Committee is currently working with interested parties to develop an updated draft of the structured settlement statutes to propose to the General Assembly.

RECOMMENDATIONS

To amend R.C. 2323.58, *et seq.*, to provide improved standards for probate court approval of transfers of structured settlements.

What is a Judicial Impact Statement?

A Judicial Impact Statement describes as objectively and accurately as possible the probable, practical effects on Ohio's court system of the adoption of the particular bill. The court system includes people who use the courts (parties to suits, witnesses, attorneys and other deputies, probation officials, judges and others). The Ohio Judicial Conference prepares these statements pursuant to R.C. 105.911.