

REVISED STRUCTURED SETTLEMENT PROTECTION ACT (EXCERPT)
Act 296 of 2006

***** 691.1307.new THIS NEW SECTION IS EFFECTIVE SEPTEMBER 1, 2006 *****

691.1307.new Waiver prohibited; scope and effect of act; failure to comply with act.

Sec. 7. (1) A payee shall not waive a provision of this act.

(2) A transfer agreement entered into on or after the effective date of this act by a payee who resides in this state shall provide that disputes under the transfer agreement, including a claim that the payee has breached the agreement, shall be determined in and under the laws of this state. A transfer agreement shall not authorize the transferee or any other person to confess judgment or consent to entry of judgment against the payee.

(3) A transfer of structured settlement payment rights that are life-contingent is not effective unless, before the date on which the payee signs the transfer agreement, the transferee has established and has agreed to maintain procedures reasonably satisfactory to the annuity issuer and the structured settlement obligor for both of the following:

(a) Periodically confirming the payee's survival.

(b) Giving the annuity issuer and the structured settlement obligor prompt written notice in the event of the payee's death.

(4) A payee who proposes to make a transfer of structured settlement payment rights shall not incur a penalty, forfeit an application fee or other payment, or otherwise incur liability to the proposed transferee or assignee based on the failure of the transfer to satisfy the conditions of this act.

(5) This act does not authorize a transfer of structured settlement payment rights in contravention of law or validate or invalidate a transfer under a transfer agreement entered into before the effective date of this act.

(6) The transferee has sole responsibility for complying with the requirements in section 3 and fulfilling the conditions in section 4 in a transfer of structured settlement payment rights. A structured settlement obligor or annuity issuer shall not bear any responsibility or liability arising from a transferee's failure to comply with those requirements or to fulfill those conditions.

History: 2006, Act 296, Eff. Sept. 1, 2006.