

BILL ANALYSIS

Senate Research Center
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H.B. 3356
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, an individual receiving an annuity may sell a portion of that annuity for a lump sum. Parties involved in these agreements have expressed concern regarding the public availability of information relevant to the individual or agreement, which may increase the risk of identity theft or harassment. H.B. 3356 addresses this issue by providing for certain information found in such an agreement to be redacted.

H.B. 3356 amends the Civil Practice and Remedies Code to require a court, if an application under the Structured Settlement Protection Act for approval of a transfer of structured settlement payment rights includes a written request by the payee to conceal from public inspection the personally identifiable information of the payee and the court and each interested party required to receive notice receive complete, unredacted copies of the application, other pleadings, and any order in the prescribed time before the hearing on the application, as applicable, to permit the full redaction in any application, other pleadings, or any order filed or submitted of the name of the payee, the address of the payee, or other information that could reasonably be used to determine the identity or address of the payee, including the names of dependents, family members, and beneficiaries. The bill, with respect to any order issued approving or denying the transfer of structured settlement payment rights:

- requires a copy of the order, with the applicable information redacted, to be filed as part of the public record;
- requires an unredacted copy of the order to be issued under seal, and be provided to the transferee and each interested party entitled to notice, at the same time as the filing; and
- authorizes the court on its own initiative, or requires the court on the motion of any person including a member of the general public, to unseal the unredacted order and make the order part of the public record not earlier than six months after the date the order is issued.

H.B. 3356 makes a specified rule of the Texas Rules of Civil Procedure relating to sealing court records applicable to all court proceedings and filings under the Structured Settlement Protection Act, but exempts a party from that rule in order to redact the payee's personally identifiable information under the bill's provisions or for the purpose of issuing an unredacted copy of the order under seal under the bill's provisions.

H.B. 3356 amends current law relating to privacy of certain structured settlement information.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 141.006, Civil Practice and Remedies Code, by adding Subsections (d) and (e), as follows:

(d) Provides that if the application under this chapter (Structured Settlement Protection Act) for approval of a transfer of structured settlement payment rights includes a written request by the payee to conceal from public inspection the personally identifiable information of the payee and the court and each interested party required to receive notice under Subsection (b) (relating to requiring the transferee to file with the court and serve on all interested parties certain notice of a proposed transfer) receive complete, unredacted copies of the application, other pleadings, and any order in the time provided by Subsection (b), as applicable:

(1) requires the court, in any application, other pleadings, or any order filed or submitted, to permit the full redaction of the name of the payee, the address of the payee, and other information that could reasonably be used to determine the identity or address of the payee, including the names of dependents, family members, and beneficiaries; and

(2) with respect to any order issued approving or denying the transfer of structured settlement payment rights:

(A) requires that a copy of the order, with the information described by Subdivision (1) redacted, be filed as part of the public record;

(B) requires that an unredacted copy of the order, at the same time as the filing under Paragraph (A), be issued under seal and be provided to the transferee and each interested party entitled to notice under Subsection (b); and

(C) authorizes the court on its own initiative to, or requires the court on the motion of any person including a member of the general public to, not earlier than six months after the date the order is issued, unseal the unredacted order and make the order part of the public record.

(e) Provides that, except as provided by this subsection, Rule 76a, Texas Rules of Civil Procedure, applies to all court proceedings and filings under this chapter. Provides that a party is not required to comply with that rule in order to redact the payee's personally identifiable information under Subsection (d)(1) or for the purpose of issuing an unredacted copy of the order under seal under Subsection (d)(2).

SECTION 2. Effective date: upon passage or September 1, 2017.