

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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SENATE BILL 1010
Commerce, Small Business and Entrepreneurship Committee Substitute Adopted
5/21/07

Short Title: Structured Settlement Payments Discount Rate. (Public)

Sponsors:

Referred to:

March 21, 2007

1 A BILL TO BE ENTITLED
2 AN ACT TO AMEND THE DISCOUNT RATE OF INTEREST REGARDING
3 STRUCTURED SETTLEMENT PAYMENTS.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 1-543.12(6) reads as rewritten:

6 "(6) The discount rate used in determining the net amount payable to the
7 payee, as provided in subdivision (2) of this section, does not exceed
8 an annual percentage rate of prime plus ~~five~~six percentage points
9 calculated as if the net amount payable to the payee, as provided in
10 sub-subdivision (2)f. of this section, was the principal of a consumer
11 loan made by the transferee to the payee, and if the structured
12 settlement payments to be transferred to the transferee were the payee's
13 payments of principal plus interest on such loan. For purposes of this
14 subdivision, the prime rate shall be as reported by the Federal Reserve
15 Statistical Release H.15 on the first Monday of the month in which the
16 transfer agreement is signed by both the payee and the transferee,
17 except when the transfer agreement is signed prior to the first Monday
18 of that month then the prime rate shall be as reported by the Federal
19 Reserve Statistical Release H.15 on the first Monday of the preceding
20 month;"

21 **SECTION 2.** This act becomes effective October 1, 2007.