

HB 1591-FN - AS INTRODUCED

2026 SESSION

26-2922

09/08

HOUSE BILL ***1591-FN***

AN ACT relative to the release of escrowed funds by the judicial branch.

SPONSORS: Rep. Potenza, Straf. 19; Rep. Bernardy, Rock. 36; Rep. Bjelobrk, Graf. 5; Rep. Cambrils, Merr. 4; Rep. Kofalt, Hills. 32; Rep. Korzen, Coos 7; Rep. Kuttab, Rock. 17

COMMITTEE: Judiciary

ANALYSIS

This bill requires the release of escrowed funds by the judicial branch upon receipt of a final order, and provides for penalties for noncompliance.

Explanation: Matter added to current law appears in ***bold italics***.
Matter removed from current law appears ~~[in brackets and struckthrough.]~~
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty-Six

AN ACT relative to the release of escrowed funds by the judicial branch.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 New Chapter; Administrative Office of the Courts. Amend RSA by inserting after chapter
2 490-K the following new chapter:

3 CHAPTER 490-L

4 ADMINISTRATIVE OFFICE OF THE COURTS

5 490-L:1 Release of Escrowed Funds Pursuant to Final Court Orders.

6 I. The administrative office of the courts (AOC) shall promptly disburse any funds or
7 property held in escrow, registry, or trust by or under the control of the judicial branch to the party
8 or parties entitled to such funds pursuant to a final, non-appealable court order or judgment.

9 II. After entry of a final order and expiration of the appeal period, the AOC shall not
10 withhold or delay disbursement except as expressly required by federal law or by a subsequent court
11 order entered after the judgment. Internal policy or discretionary review shall not be grounds to
12 deny or delay disbursement.

13 III. The AOC shall complete disbursements within 30 days of receipt of a copy of the final
14 court order awarding the funds.

15 IV.(a) If the AOC fails to disburse within the 30-day period without lawful cause, interest at
16 the statutory judgment rate shall accrue in favor of the entitled party from the date the
17 disbursement was due until payment is made.

18 (b) The entitled party may apply to the superior court for an order directing immediate
19 release and awarding reasonable attorney's fees and costs incurred to obtain compliance.

20 (c) Awards of interest and fees shall be paid from the judicial branch escrow/registry
21 account holding the funds, or if insufficient, from other judicial branch appropriations.

22 V. (a) The remedies in paragraph IV apply retroactively to instances in which, on or after the
23 date 5 years prior to this section's effective date, the AOC failed, without lawful cause, to disburse
24 funds within 30 days after a final, non-appealable order.

25 (b) For such past instances, interest at the statutory judgment rate shall accrue
26 beginning 31 days after the AOC's receipt of the final order and continue until payment; reasonable
27 attorney's fees and costs are likewise available if court action is required to secure release.

28 (c) A claimant seeking retroactive remedies shall file a written claim with the AOC
29 within 18 months of this section's effective date, attaching the final order and proof of submission to
30 the AOC. If not resolved within 60 days, the claimant may petition the superior court for relief

HB 1591-FN - AS INTRODUCED

- Page 2 -

1 under subparagraph (b). Nothing herein revives claims finally adjudicated or satisfied before the
2 effective date.

3 (d) This paragraph establishes civil, remedial relief only and shall not be construed to
4 impose criminal sanctions or impair any vested rights.

5 VI. (a) On or before September 1 of each year, the AOC shall post on the judicial branch
6 website and submit to the speaker of the house of representatives and the president of the senate a
7 report listing funds or property held in escrow, registry, or trust that have been subject to a final,
8 non-appealable order for more than 30 days without disbursement.

9 (b) The report shall include the case docket number, amount held, date of the final order.
10 The report shall exclude personal identifiers and confidential information beyond what is necessary
11 to comply with this paragraph.

12 2 Effective Date. This act shall take effect upon its passage.

**HB 1591-FN- FISCAL NOTE
AS INTRODUCED**

AN ACT relative to the release of escrowed funds by the judicial branch.

FISCAL IMPACT: This bill does not provide funding, nor does it authorize new positions.

Estimated State Impact				
	FY 2026	FY 2027	FY 2028	FY 2029
Revenue	\$0	\$0	\$0	\$0
<i>Revenue Fund(s)</i>	None			
Expenditures*	\$0	\$45,000	\$45,000	\$45,000
<i>Funding Source(s)</i>	General Fund			
Appropriations*	\$0	\$0	\$0	\$0
<i>Funding Source(s)</i>	None			

***Expenditure = Cost of bill**

***Appropriation = Authorized funding to cover cost of bill**

METHODOLOGY:

This bill establishes new requirements for the release of escrowed and registry funds by the Administrative Office of the Courts (AOC), including a 30-day deadline for disbursement after a final, non-appealable order; limited grounds for withholding; penalties for noncompliance; retroactive application for five years; and an annual public report identifying any escrowed funds not disbursed within 30 days.

The Judicial Branch states that, in practice, courts do not withhold escrowed funds without lawful cause. The Branch assumes that failure of a recipient to file a W-9 constitutes “lawful cause” to delay disbursement, and therefore the Branch does not anticipate any expenditures associated with the bill’s penalty or interest provisions. However, the bill creates a new annual reporting obligation requiring the AOC to identify all escrowed or registry funds held for more than 30 days after a final order, investigate the reason for any withholding, and prepare a report for publication and distribution to legislative leadership. The Branch states this work would require a review of escrowed funds across the entire statewide court system, assessment of withholding grounds in each case, and gather the data into the required report. Because the Branch’s case-management financial services team is already working beyond capacity, the additional requirements of this bill would require at least a part-time Case Management Financial Services Technician. The Branch estimates the cost of this part-time technician, compensated at Labor Grade 22, would be \$44,481 in FY 2027, FY 2028, and FY 2029. It is

assumed if the position is authorized the costs for FY 2028 and FY 2029 would be included in the Branch's agency budget request.

AGENCIES CONTACTED:

Judicial Branch