

FIRST REGULAR SESSION
SENATE COMMITTEE SUBSTITUTE FOR

SENATE BILL NO. 303

99TH GENERAL ASSEMBLY

Reported from the Committee on Insurance and Banking, February 16, 2017, with recommendation that the Senate Committee Substitute do pass.

1306S.02C

ADRIANE D. CROUSE, Secretary.

AN ACT

To repeal section 537.065, RSMo, and to enact in lieu thereof one new section relating to contracts limiting recovery to specified assets in the settlement of tort claims.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Section 537.065, RSMo, is repealed and one new section
2 enacted in lieu thereof, to be known as section 537.065, to read as follows:

537.065. 1. Any person having an unliquidated claim for damages against
2 a tort-feasor, on account of **personal injuries**, bodily injuries or death,
3 **provided that such tort-feasor's insurer or indemnitor has the**
4 **opportunity to defend the tort-feasor without reservation but refuses**
5 **to do so**, may enter into a contract with such tort-feasor or any insurer in his **or**
6 **her** behalf or both, whereby, in consideration of the payment of a specified
7 amount, the person asserting the claim agrees that in the event of a judgment
8 against the tort-feasor, neither [he] **such person** nor any **other** person, firm or
9 corporation claiming by or through him **or her** will levy execution, by
10 garnishment or as otherwise provided by law, except against the specific assets
11 listed in the contract and except against any insurer which insures the legal
12 liability of the tort-feasor for such damage and which insurer is not excepted from
13 execution, garnishment or other legal procedure by such contract. Execution or
14 garnishment proceedings in aid thereof shall lie only as to assets of the
15 tort-feasor specifically mentioned in the contract or the insurer or insurers not
16 excluded in such contract. Such contract, when properly acknowledged by the
17 parties thereto, may be recorded in the office of the recorder of deeds in any

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

18 county where a judgment may be rendered, or in the county of the residence of
19 the tort-feasor, or in both such counties, and if the same is so recorded then such
20 tort-feasor's property, except as to the assets specifically listed in the contract,
21 shall not be subject to any judgment lien as the result of any judgment rendered
22 against the tort-feasor, arising out of the transaction for which the contract is
23 entered into.

24 **2. Before a judgment may be entered against any tort-feasor after**
25 **such tort-feasor has entered into a contract under this section, the**
26 **insurer or insurers shall be provided with written notice of the**
27 **execution of the contract and shall have thirty days after receipt of**
28 **such notice to intervene as a matter of right in any pending lawsuit**
29 **involving the claim for damages.**

30 **3. The provisions of this section shall apply to any covenant not**
31 **to execute, any contract to limit recovery to specified assets, or other**
32 **similar contract, regardless of whether or not such contract explicitly**
33 **refers to this section.**

✓
Bill

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