

# An Act

ENROLLED HOUSE  
BILL NO. 3076

By: Culver of the House

and

Brooks of the Senate

An Act relating to settlements involving minors; creating the Oklahoma Statutory Thresholds for Settlements Involving Minors Act of 2022; prescribing procedures for settling claims involving minors; clarifying when a person with legal custody may enter into a settlement agreement on behalf of a minor; directing attorney representing minor to maintain records; establishing how monies payable under a settlement agreement must be paid; creating exemptions for liability; providing for codification; and providing an effective date.

SUBJECT: Settlements involving minors

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 86 of Title 12, unless there is created a duplication in numbering, reads as follows:

This act shall be known and may be cited as the "Oklahoma Statutory Thresholds for Settlements Involving Minors Act of 2022".

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 86.1 of Title 12, unless there is created a duplication in numbering, reads as follows:

A. A person having legal custody of a minor may enter into a settlement agreement with a party against whom the minor has a claim if:

1. A conservator or guardian ad litem has not been appointed for the minor;

2. The total amount of the settlement, not including reimbursement of medical expenses, liens, reasonable attorney fees, and costs of suit, is Twenty-five Thousand Dollars (\$25,000.00) or less if paid in cash, check, draft, or if paid by the purchase of a premium for an annuity;

3. The monies paid under the settlement agreement will be paid as set forth in subsections C and D of this section; and

4. The person entering into the settlement agreement on behalf of the minor completes an affidavit or verified statement that attests that the person has made a reasonable inquiry and that:

- a. to the best of the person's knowledge, the minor will be fully compensated by the settlement, or
- b. there is no practical way to obtain additional amounts from the party entering into the settlement agreement with the minor.

B. The attorney representing the person entering into the settlement agreement on behalf of the minor, if any, shall maintain the affidavit or verified statement completed under paragraph 4 of subsection A of this section in the attorney file for two (2) years after the minor attains eighteen (18) years of age.

C. The monies payable under the settlement agreement must be paid as follows:

1. If the minor or person entering into the settlement agreement on behalf of the minor is represented by an attorney and the settlement is paid in cash, by check, draft, or by direct deposit into the attorney trust account maintained pursuant to the Rules of Professional Conduct applicable to management of client trust accounts. The attorney shall deposit the monies received on behalf of the minor directly into a federally insured savings account that earns interest in the sole name of the minor, and provide notice of the deposit to the minor and the person entering into the settlement agreement on behalf of the minor. Notice shall be delivered by personal service or first-class mail;

2. If the minor or guardian is not represented by an attorney and the settlement is paid:

- a. in cash, or by check or draft, the monies shall be deposited by the guardian directly into a federally insured savings account that earns interest, in the sole name of the minor, or
- b. by direct deposit, the minor or guardian shall provide the person or entity with whom the minor has settled the claim with the necessary information sufficient to complete an electronic transfer of settlement funds within ten (10) business days of the settlement into a federally insured savings account that earns interest, in the sole name of the minor. The notice of the deposit to the minor of the electronic transfer of funds shall be delivered by personal service or first-class mail to the minor and guardian by the person or entity against whom the minor has a claim that settles the claim with the minor;

3. If paid by purchase of an annuity, by direct payment to the provider of the annuity with the minor designated as the sole beneficiary of the annuity; or

4. If the minor is a ward of the state and the settlement is paid in cash, or by check or draft directly into a trust account, or subaccount of a trust account, established by the department responsible for wards of the state, or similar state mechanism for the purpose of receiving monies payable to the ward under the settlement agreement and that earns interest for the benefit of the ward.

D. The monies in the minor's savings account, trust account, or trust subaccount established under subsection C of this section may not be withdrawn, removed, paid out, or transferred to any person, including the minor, except as follows:

1. Pursuant to court order;
  2. Upon the minor's attainment of eighteen (18) years of age;
- or
3. Upon the minor's death.

E. If a settlement agreement is entered into in compliance with subsection A of this section, the signature of the person entering into the settlement agreement on behalf of the minor is binding on the minor without the need for further court approval or review and has the same force and effect as if the minor were a competent adult entering into the settlement agreement.

F. A person acting in good faith on behalf of a minor under this section is not liable to the minor for the monies paid in settlement or for any other claim arising out of the settlement.

G. Any person or entity against whom a minor has a claim that settles the claim with a minor in good faith under this section shall not be liable to the minor for any claims arising from the settlement of the claim.

SECTION 3. This act shall become effective November 1, 2022.

Passed the House of Representatives the 8th day of March, 2022.

\_\_\_\_\_  
Presiding Officer of the House  
of Representatives

Passed the Senate the 28th day of April, 2022.

\_\_\_\_\_  
Presiding Officer of the Senate

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this \_\_\_\_\_

day of \_\_\_\_\_, 20\_\_\_\_\_, at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

By: \_\_\_\_\_

Approved by the Governor of the State of Oklahoma this \_\_\_\_\_

day of \_\_\_\_\_, 20\_\_\_\_\_, at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this \_\_\_\_\_

day of \_\_\_\_\_, 20\_\_\_\_\_, at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

By: \_\_\_\_\_