

# An Act

ENROLLED HOUSE  
BILL NO. 1547

By: Moore of the House

and

Howard of the Senate

An Act relating to civil procedure; amending 12 O.S. 2021, Sections 81 and 83, which relate to payments or conserving monies obtained for or on behalf of persons under eighteen years of age or incompetent persons in court proceedings; increasing monetary minimum; providing for conserving monies obtained for or on behalf of persons under eighteen years of age when sum is under a certain amount; modifying when withdrawals of monies can be made; providing when a settlement agreement is binding on the minor without court approval; providing that a person acting in good faith on behalf of a minor is not liable to the minor for the monies paid in settlement; providing that no insurer shall be liable to the minor or anyone else for any deviation from such obligations except upon proving by clear and convincing evidence that the deviation was an intentional act to harm the minor; providing that person or entity against whom a minor has a claim that settles the claim with a minor in good faith not be liable to the minor for any claims arising from the settlement of the claim; requiring an adult acting on behalf of a person who is less than eighteen years of age to complete an affidavit or verified statement; providing affidavit form; requiring any federally insured banking, credit union, or savings and loan institution receiving the monies for deposit shall complete a receipt of deposit; providing receipt of deposit form; repealing 12 O.S. 2021, Sections 86 and 86.1, which relate to the Oklahoma Statutory Thresholds for Settlements Involving Minors Act of 2022; and providing an effective date.

SUBJECT: Civil procedure

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

SECTION 1. AMENDATORY 12 O.S. 2021, Section 81, is amended to read as follows:

Section 81. Where any amount of money not exceeding ~~Five Hundred Dollars (\$500.00)~~ One Thousand Five Hundred Dollars (\$1,500.00) shall be deposited and paid into any court of record of this state by virtue of any judgment, order, settlement, distribution or decree for the use and benefit of, and to the credit of, any minor or incompetent person having no legal guardian of his estate within this state, and no person shall within ninety (90) days thereafter become the legal and qualified guardian of the estate of such minor or incompetent person, if it appears to the court that such money is needed for the support of such minor or incompetent person or that it is otherwise for the best interest of such minor or incompetent person, the court may, in its discretion, order payment of such funds to be made to any proper and suitable person as trustee for such minor or incompetent person, with bond, as the court may direct, to be expended for the support, use, and benefit of such minor or incompetent person. Such order may be made by the court in the original cause in which the funds are credited upon the application of any interested person; and the court may direct the clerk of the court to make payment of the same to be made in installments or in one lump sum as may seem for the best interests of such minor or incompetent person.

SECTION 2. AMENDATORY 12 O.S. 2021, Section 83, is amended to read as follows:

Section 83. A. Monies recovered in any court proceeding by a next friend or guardian ad litem for or on behalf of a person who is less than eighteen (18) years of age in excess of ~~One Thousand Dollars (\$1,000.00)~~ Twenty-five Thousand Dollars (\$25,000.00) over sums sufficient for paying costs and expenses including medical bills and ~~attorney's~~ attorney fees shall be deposited, by order of the court, in one or more federally insured banking, credit union or savings and loan institutions, a trust established for the person approved by the court, or invested by a bank or trust company having trust powers under federal or state law, approved by the court; provided, that the court may approve a structured settlement, by the terms of which the proceeds of a settlement may be invested by the plaintiff or the defendant in an annuity to be paid to or for the

benefit of the minor by an insurance company licensed in this state. If authorized by the court at the request of the next friend or guardian ad litem, all or a portion of the recovered monies may be deposited in an account pursuant to the Oklahoma College Savings Plan Act with the minor designated as beneficiary of the account.

B. A minor's parent or guardian may enter into a settlement agreement outside of a court proceeding with a person against whom the minor has a claim if a guardian ad litem, guardian, or conservator has not been appointed for the minor, and the total amount of the settlement proceeds is greater than One Thousand Five Hundred Dollars (\$1,500.00) and less than or equal to Twenty-five Thousand Dollars (\$25,000.00), after reduction from the total settlement amount of all medical expenses, medical liens, all other liens, and reasonable attorney fees and costs. Monies recovered from such a settlement shall be deposited by the parent or guardian in a savings account that accrues interest at one or more federally insured banking, credit union, or savings and loan institutions; in a trust established for the minor by a bank or trust company having trust powers under state or federal law; or into a structured settlement by the terms of which the proceeds of the settlement may be invested in an annuity to be paid to or for the benefit of the minor by an insurance company licensed in this state. All or a portion of the recovered monies may also be deposited in an account pursuant to the Oklahoma College Savings Plan Act with the minor designated as the sole beneficiary of the account.

The parent or guardian acting on behalf of the person who is less than eighteen (18) years of age shall complete an affidavit or verified statement in conformity with this section. The parent or guardian entering into the settlement agreement on behalf of the minor shall retain a copy of the affidavit or verified statement for the minor until the minor reaches the age of majority. If the minor is represented by counsel, the attorney shall also retain in the attorney file a copy of the affidavit or verified statement until one (1) year after the minor attains eighteen (18) years of age.

Any federally insured banking, credit union, or savings and loan institution receiving the monies for deposit shall complete a receipt of deposit signed by an officer of the bank, credit union, or savings and loan institution in conformity with subsection J of this section. A federally insured banking, credit union, or savings and loan institution may accept the affidavit without further investigation and the bank, credit union, or savings and loan institution shall not be liable to the minor or parent or guardian

provided the account is administered as set forth in the affidavit and receipt of deposit provided for in this section.

C. Until the ~~person~~ minor becomes eighteen (18) years of age, withdrawals of monies from the account or accounts shall be solely pursuant to order of the court made in the case in which recovery was had, or by filing an action if no case had previously been filed, or upon the minor's death. The district court shall have jurisdiction over such action.

~~C.~~ D. When an application for the order is made by a person who is not represented by an attorney, the judge of the court shall prepare the order.

~~D. This section shall not apply if~~

E. If a legal guardian has been appointed for the minor prior to any award of monies pursuant to subsection A of this section. If a legal guardian is appointed after any award of monies pursuant to subsection A of this section, the legal guardian may petition the district court in the county where the federally insured funds are held for an order directing the bank, credit union or savings and loan to transfer the funds to the legal guardian. The district court may make the granting of the request to transfer funds subject to reasonable safeguards.

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

G. A person acting in good faith on behalf of a minor pursuant to subsection B of this section shall not be liable to the minor for the monies paid in the settlement or for any other claim arising out of the settlement.

H. 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 or the minor's parent or guardian for any claims arising from the settlement of the claim.

I. The minor's parent or guardian shall complete an affidavit or verified statement in substantial conformity with the applicable provisions as follows:

"I, [Name of Affiant], being of lawful age and after being duly sworn upon oath, state as follows:

1. I am the parent or guardian of [Name of minor child] ("XX"), a minor child.

2. XX's date of birth is MM-DD-YYYY.

3. [Briefly state when, where, and how the incident in question occurred.]

4. [Briefly state how minor was injured in the incident, describe his or her injuries, medical care received, if any, and how they are doing today.]

5. As a result of the injuries sustained by XX in the incident in question, I, individually and on behalf of XX, a minor, agreed to settle the claims of XX against [Name of tortfeasor(s)], with their insurer, [if any, provide the name of Third-Party Liability Insurance Carrier(s)], in the amount of \$XXXX; and with my UM/UIM insurer, [if any, provide the name of First-Party-Liability Insurance Carrier(s)], in the amount of \$XXXX, [add additional tortfeasor or first-party coverages where applicable] for a total settlement in the amount of \$XXXX.

6. I understand that all medical expenses, liens and subrogation claims must be paid from the settlement: [List all outstanding medical expenses, liens and subrogation providers and the amounts.]

7. I understand that I (or another parent or guardian of the minor) may be reimbursed from the settlement for medical expenses that I or we have paid for the care or treatment of XX as a result of injuries incurred by XX due to the subject incident as follows: [List all relevant medical expenses of XX, paid for by a parent or guardian, for which reimbursement is sought from the settlement.]

8. I understand that \$XXXX will be paid from the settlement to [Name of Firm/Attorney, if any] for attorney fees and costs in securing the settlement pursuant to my contract with [Name of Firm/Attorney].

9. I understand that pursuant to subsection B of Section 83 of Title 12 of the Oklahoma Statutes, the net of XX's settlement in the amount of \$XXXX must be deposited in a savings account that accrues interest at one or more federally insured banking, credit union or savings and loan institutions; in a trust established for XX, by a bank or trust company having trust powers under state or federal law; or into a structured settlement, by the terms of which the proceeds of a settlement may be invested in an annuity to be paid to or for the benefit of XX by an insurance company licensed in this state. All or a portion of the recovered monies may be deposited in an account pursuant to the Oklahoma College Savings Plan Act with XX designated as a beneficiary of the account.

10. I understand that such funds may not be withdrawn, removed, paid out, or transferred to anyone until XX is eighteen (18) years of age, except pursuant to court order or upon the minor's death. When the minor XX reaches the age of eighteen (18) years, the funds may be withdrawn, removed, paid out or transferred by the minor without a court order.

11. I understand that I must deposit the funds, secure a Receipt of Deposit from the bank, and if I am represented, to return the Receipt of Deposit to my attorney. I must also advise the minor of the settlement and the location of the settlement funds as soon as the minor has the ability to understand its existence and at the time the minor reaches eighteen (18) years of age.

12. I understand that should I not settle this matter on behalf of the minor, I have the right to ask for a jury trial in this matter, and that a jury may have awarded more, less, or the same amount, but by settling XX's claims, I am giving up this right to a jury trial.

13. I understand that should I not settle this matter, or pursue a jury trial on behalf of XX, XX would alternatively have a right to bring a cause of action against [Name of Tortfeasor(s)] within the one (1) year between XX's 18th and 19th birthdays; however, by settling this matter at this time on XX's behalf, I am waiving his or her right to bring a cause of action at that time, and relatedly his or her opportunity to obtain a verdict through jury trial.

14. I understand that by settling XX's claims, whether for already known or later-discovered additional injuries from the

subject incident and/or if XX requires future medical care, I will not be able to open this claim or bring any future cause of action against [Name of Tortfeasor(s) or their insurer(s)], [Name of Insurance Carrier, if any], to request additional sums of money.

15. I believe this is a fair and reasonable settlement of XX's claim: that to the best of my knowledge the minor will be fully compensated by the settlement, or there is no practical way to obtain additional amounts from the other party/parties entering into the settlement agreement.

16. I believe this settlement is in the best interests of XX.

17. I understand that this settlement is full and final; I have not been coerced, pressured, or threatened into entering this settlement in any way.

FURTHER AFFIANT SAYETH NOT.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
[Name of Affiant]

\_\_\_\_\_  
[Address of Affiant]

\_\_\_\_\_  
[Phone Number of Affiant]

I state under penalty of perjury under the laws of Oklahoma that the foregoing is true and correct.

\_\_\_\_\_  
Date Signature of Parent or Legal Guardian of XX

Approved as to form and content by:

\_\_\_\_\_  
[Attorney Name, if any]"

J. Any federally insured banking, credit union, or savings and loan institution receiving the monies for deposit shall complete a receipt of deposit referenced herein in conformity with the following:

"RECEIPT OF DEPOSIT

The undersigned, an Officer of [Name of Bank], does hereby acknowledge receipt of the Affidavit of [Name of Affiant], and that \$XXXXX was deposited for the benefit of the minor, XX.

It is understood that the funds so deposited, pursuant to provisions under Section 83 of Title 12 of the Oklahoma Statutes, may not be withdrawn, removed, paid out, or transferred by anyone until XX is eighteen (18) years of age, except pursuant to court order or upon the minor's death.

When XX reaches the age of eighteen (18) years of age, the funds may be withdrawn, removed, paid out, or transferred by XX without court order.

BY:

\_\_\_\_\_

\_\_\_\_\_

Signature

\_\_\_\_\_

Printed Name

\_\_\_\_\_

Title

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_

Notary Public

My Commission Expires:

\_\_\_\_\_ "

SECTION 3. REPEALER 12 O.S. 2021, Sections 86 and 86.1, are hereby repealed.

SECTION 4. This act shall become effective November 1, 2024.

Passed the House of Representatives the 9th day of May, 2024.

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

Passed the Senate the 19th day of March, 2024.

\_\_\_\_\_  
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: \_\_\_\_\_