

1                   **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2                                   STATE OF OKLAHOMA

3                                   1st Session of the 59th Legislature (2023)

4 COMMITTEE SUBSTITUTE  
5 FOR  
6 HOUSE BILL NO. 1547

By: Moore of the House

and

**Howard** of the Senate

8  
9                                   COMMITTEE SUBSTITUTE

10           An Act relating to civil procedure; amending 12 O.S.  
11           2021, Section 83, which relates to conserving monies  
12           obtained for or on behalf of persons under eighteen  
13           years of age in court proceedings; increasing  
14           monetary minimum; providing for conserving monies  
15           obtained for or on behalf of persons under eighteen  
16           years of age when sum is under a certain amount;  
17           modifying when withdrawals of monies can be made;  
18           providing when a settlement agreement is binding on  
19           the minor without court approval; providing that a  
20           person acting in good faith on behalf of a minor is  
21           not liable to the minor for the monies paid in  
22           settlement; providing that no insurer shall be liable  
23           to the minor or anyone else for any deviation from  
24           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

1 Oklahoma Statutory Thresholds for Settlements  
2 Involving Minors Act of 2022; and providing an  
3 effective date.

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

5 SECTION 1. AMENDATORY 12 O.S. 2021, Section 83, is  
6 amended to read as follows:

7 Section 83. A. Monies recovered in any court proceeding by a  
8 next ~~friend~~ of kin or guardian ad litem for or on behalf of a person  
9 who is less than eighteen (18) years of age in excess of ~~One~~  
10 ~~Thousand Dollars (\$1,000.00)~~ Twenty-five Thousand Dollars  
11 (\$25,000.00) over sums sufficient for paying costs and expenses  
12 including medical bills and ~~attorney's~~ attorney fees shall be  
13 deposited, by order of the court, in one or more federally insured  
14 banking, credit union or savings and loan institutions, a trust  
15 established for the person approved by the court, or invested by a  
16 bank or trust company having trust powers under federal or state  
17 law, approved by the court; provided, that the court may approve a  
18 structured settlement, by the terms of which the proceeds of a  
19 settlement may be invested by the plaintiff or the defendant in an  
20 annuity to be paid to or for the benefit of the minor by an  
21 insurance company licensed in this state. If authorized by the  
22 court at the request of the next ~~friend~~ of kin or guardian ad litem,  
23 all or a portion of the recovered monies may be deposited in an  
24

1 account pursuant to the Oklahoma College Savings Plan Act with the  
2 minor designated as beneficiary of the account.

3 B. Monies recovered in any court proceeding or settlement  
4 without the filing of an action in excess of One Thousand Five  
5 Hundred Dollars (\$1,500.00), and less than Twenty-five Thousand  
6 Dollars (\$25,000.00), over the sum sufficient for paying costs and  
7 expenses including medical bills and attorney fees, by a next of kin  
8 or guardian ad litem for or on behalf of a person who is less than  
9 eighteen (18) years of age shall be deposited in one or more  
10 federally insured banking, credit union or savings and loan  
11 institution, or a structured settlement, by the terms of which the  
12 proceeds of a settlement may be invested by the plaintiff or the  
13 defendant in an annuity to be paid to or for the sole benefit of the  
14 minor by an insurance company licensed in this state. All or a  
15 portion of the recovered monies may be deposited in an account  
16 pursuant to the Oklahoma College Savings Plan Act with the minor  
17 designated as the sole beneficiary of the account.

18 The adult acting on behalf of the person who is less than  
19 eighteen (18) years of age shall complete an affidavit or verified  
20 statement in conformity with this section. The adult entering into  
21 the settlement agreement on behalf of the minor, shall retain a copy  
22 of the affidavit or verified statement for the minor until the minor  
23 reaches the age of majority. If the minor is represented by  
24 counsel, the attorney shall also retain in the attorney file a copy

1 of the affidavit or verified statement until one (1) year after the  
2 minor attains eighteen (18) years of age. If the minor is not  
3 represented by counsel, the insurance company paying monies shall  
4 retain in the claim file a copy of the affidavit or verified  
5 statement until one (1) year after it reasonably believes the minor  
6 attains eighteen (18) years of age.

7 Any federally insured banking, credit union or savings and loan  
8 institution receiving the monies for deposit shall complete a  
9 receipt of deposit signed by an officer of the bank, credit union,  
10 or savings and loan in conformity with subsection J of this section.

11 C. Until the person becomes eighteen (18) years of age,  
12 withdrawals of monies from the account or accounts shall be solely  
13 pursuant to order of the court made in the case in which recovery  
14 was had or by filing an action if no case had previously been filed.

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

18 ~~D.~~ E. This section shall not apply if a legal guardian has been  
19 appointed for the minor prior to any award of monies pursuant to  
20 subsection A of this section. If a legal guardian is appointed  
21 after any award of monies pursuant to subsection A of this section,  
22 the legal guardian may petition the district court in the county  
23 where the federally insured funds are held for an order directing  
24 the bank, credit union or savings and loan to transfer the funds to

1 the legal guardian. The district court may make the granting of the  
2 request to transfer funds subject to reasonable safeguards.

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

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

13 H. Any person or entity against whom a minor has a claim that  
14 settles the claim with a minor in good faith pursuant to subsection  
15 B shall not be liable to the minor for any claims arising from the  
16 settlement of the claim.

17 I. No insurer performing any obligation under this section  
18 shall be liable to the minor or anyone else for any deviation from  
19 such obligations except upon proving on clear and convincing  
20 evidence that such deviation was an intentional act to harm the  
21 minor.

22 J. The adult acting on behalf of the person who is less than  
23 eighteen (18) years of age shall complete an affidavit or verified  
24

1 statement in substantial conformity to the applicable provisions  
2 below:

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

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

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

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

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

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

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

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

7            A. \_\_\_\_\_ ;

8            B. \_\_\_\_\_ ; and

9            C. \_\_\_\_\_ .

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

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

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

7       11. I understand that I must deposit the funds, secure a  
8 Receipt of Deposit from the bank, and return the Receipt of Deposit  
9 to my attorney or the representative [Name of Insurance Carrier]  
10 within XX days of receiving the funds. I must also advise the minor  
11 of the settlement and the location of the settlement funds as soon  
12 as the minor has the ability to understand its existence and at the  
13 time the minor reaches eighteen (18) years of age.

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

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



1 and relatedly his or her opportunity to obtain a verdict through  
2 jury trial.

3 14. I understand that by settling XX's claims, whether for  
4 already known or later-discovered additional injuries from the  
5 subject incident and/or if XX requires future medical care, I will  
6 not be able to open this claim or bring any future cause of action  
7 against [Name of Tortfeasor(s)] or their insurer(s), [Name of  
8 Insurance Carrier], and request additional sums of money.

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

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

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

18 FURTHER AFFIANT SAYETH NOT.

19 \_\_\_\_\_

20 \_\_\_\_\_

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

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

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

24

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

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

5 Approved as to form and content by:

6 \_\_\_\_\_

7 [Attorney Name]

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

12 RECEIPT OF DEPOSIT

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

16 It is understood that the funds so deposited, pursuant to provisions  
17 under Sections 83 and 86 of Title 12 of the Oklahoma Statutes, may  
18 not be withdrawn, removed, paid out, or transferred by anyone until  
19 XX is eighteen (18) years of age, except pursuant to court order or  
20 upon the minor's death.

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

24 BY: \_\_\_\_\_

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Signature

\_\_\_\_\_

Printed Name

\_\_\_\_\_

Title

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

20 .

\_\_\_\_\_

Notary Public

My Commission Expires:

\_\_\_\_\_ "

SECTION 2. REPEALER 12 O.S. 2021, Sections 86 and 86.1,  
are hereby repealed.

SECTION 3. This act shall become effective November 1, 2023.

COMMITTEE REPORT BY: COMMITTEE ON JUDICIARY - CIVIL, dated  
03/06/2023 - DO PASS, As Amended and Coauthored.