

## HOUSE BILL NO. HB0131

Settlement agreements for minors-parental authorization.

Sponsored by: Representative(s) Crago and Stith and  
Senator(s) Kinskey and Nethercott

A BILL

for

1 AN ACT relating to children; authorizing parents and  
2 guardians to enter into binding settlements on behalf of  
3 their minor children as specified; specifying limits on  
4 parental or guardian settlement authority; making  
5 conforming amendments; providing a cause of action;  
6 specifying applicability; and providing for an effective  
7 date.

8

9 *Be It Enacted by the Legislature of the State of Wyoming:*

10

11 **Section 1.** W.S. 3-3-108(a)(intro) and (b) and  
12 14-2-202(a) and by creating new subsections (c) through (e)  
13 are amended to read:

14

1           **3-3-108. Payment or delivery of property in lieu of**  
2 **conservatorship.**

3  
4           (a) Any person under a duty to pay or deliver money  
5 or personal property to a minor for whom no conservator has  
6 been appointed may pay not more than ~~five thousand dollars~~  
7 ~~(\$5,000.00)~~ twenty-five thousand dollars (\$25,000.00) per  
8 annum or may deliver property of a value not more than ~~five~~  
9 ~~thousand dollars~~ ~~(\$5,000.00)~~ twenty-five thousand dollars  
10 (\$25,000.00) to:

11  
12           (b) The payment or the delivery provided in ~~W.S.~~  
13 ~~3-3-108~~ this section shall not be made if the person has  
14 actual knowledge that a conservator has been appointed or  
15 proceedings for appointment of a conservator of the estate  
16 of the minor are pending.

17  
18           **14-2-202. Payment or delivery to parent of minor's**  
19 **estate not exceeding \$25,000; duty of parent; settlement**  
20 **agreements on behalf of minors.**

21  
22           (a) Money or other property not exceeding ~~three~~  
23 ~~thousand dollars~~ ~~(\$3,000.00)~~ twenty-five thousand dollars

1 (\$25,000.00) in value belonging to a minor having no  
2 guardian of his estate may be paid or delivered to a parent  
3 entitled to the custody of the minor to hold for the minor,  
4 upon written assurance verified by the oath of the parent  
5 that the total estate of the minor does not exceed ~~three~~  
6 ~~thousand dollars (\$3,000.00)~~ twenty-five thousand dollars  
7 (\$25,000.00) in value. The written receipt of the parent  
8 shall be an acquittance of the person making the payment or  
9 delivery of money or other property.

10  
11 (c) A parent, guardian or conservator of a minor may  
12 enter into a settlement or compromise on behalf of the  
13 minor with a person against whom the minor has a claim  
14 without first seeking court approval and without first  
15 establishing a guardianship or conservatorship for the  
16 minor if:

17  
18 (i) A guardian or conservator has not been  
19 previously appointed for the minor to represent the minor;

20  
21 (ii) The minor is not emancipated under W.S.  
22 14-1-201 through 14-1-206;

23

1           (iii) The total amount of the settlement or  
2 compromise to be paid to the minor is not greater than  
3 twenty-five thousand dollars (\$25,000.00);

4  
5           (iv) The moneys paid under the settlement  
6 agreement or compromise are paid:

7  
8           (A) To the parent, guardian or conservator  
9 of the minor; or

10  
11           (B) Into a trust or other account held for  
12 the benefit of the minor.

13  
14           (v) The parent, guardian or conservator of the  
15 minor attests in an affidavit that the person has made a  
16 reasonable inquiry into the minor's claim and that:

17  
18           (A) The total amount of the minor's claim  
19 is not greater than twenty-five thousand dollars  
20 (\$25,000.00), excluding fees, costs and all other expenses  
21 incident to the claim; and

22

1                   (B) To the best of the parent's, guardian's  
2 or other person's knowledge:

3  
4                   (I) The minor will be fully  
5 compensated by the settlement or compromise; or

6  
7                   (II) It is unlikely that the minor  
8 will be able to obtain additional amounts from the party  
9 entering into the settlement agreement or compromise with  
10 the minor.

11  
12                   (vi) The parent, guardian or conservator of the  
13 minor will apply the funds received to the use and benefit  
14 of the minor in accordance with subsection (b) of this  
15 section.

16  
17                   (d) A settlement or compromise entered into in  
18 compliance with subsection (c) of this section shall, upon  
19 signature of the parent, guardian or conservator entering  
20 into the agreement on the minor's behalf shall be binding  
21 on the minor without the need for further court approval or  
22 review and shall have the same force and effect as if the

1 minor were a competent adult entering into the settlement  
2 or compromise.

3  
4 (e) A minor shall have a cause of action against a  
5 parent, guardian or conservator who fails to manage or  
6 apply any funds received for the sole benefit of the minor,  
7 who fails to make a reasonable inquiry into the minor's  
8 claim, who falsely states that the minor's claim is less  
9 than twenty-five thousand dollars (\$25,000.00) to settle  
10 the claim under this section or who otherwise fails to  
11 comply with the requirements of this section in settling a  
12 claim on behalf of the minor.

13  
14 **Section 2.** This act shall only apply to settlements  
15 or compromises entered into for minors on and after the  
16 effective date of this act.

17  
18 **Section 3.** This act is effective July 1, 2024.

19

20

(END)