

**DRAFT ONLY
NOT APPROVED FOR
INTRODUCTION**

HOUSE BILL NO.

Settlement agreements for minors-parental authorization.

Sponsored by: Joint Judiciary Interim Committee

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; amending the
5 value of property that may be delivered on a child's
6 behalf; authorizing the entry of binding settlements on a
7 minor child's behalf as specified; making conforming
8 amendments; providing a cause of action; specifying
9 applicability; and providing for an effective date.

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

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1 **Section 1.** W.S. 3-3-108(a)(intro) and (b) and
2 14-2-202 are amended to read:

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4 **3-3-108. Payment or delivery of property in lieu of**
5 **conservatorship.**

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7 (a) Any person under a duty to pay or deliver money
8 or personal property to a minor for whom no conservator has
9 been appointed may pay not more than ~~five thousand dollars~~
10 ~~(\$5,000.00)~~ twenty-five thousand dollars (\$25,000.00) per
11 annum or may deliver property of a value not more than ~~five~~
12 ~~thousand dollars~~ ~~(\$5,000.00)~~ twenty-five thousand dollars
13 (\$25,000.00) to:

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

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21 **14-2-202. Payment or delivery to parent of minor's**
22 **estate not exceeding \$25,000; duty of parent; settlement**
23 **agreements on behalf of minors.**

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2 (a) Money or other property not exceeding ~~three~~
3 ~~thousand dollars (\$3,000.00)~~ twenty-five thousand dollars
4 (\$25,000.00) in value belonging to a minor having no
5 guardian of his estate may be paid or delivered to a parent
6 entitled to the custody of the minor to hold for the minor,
7 upon written assurance verified by the oath of the parent
8 that the total estate of the minor does not exceed ~~three~~
9 ~~thousand dollars (\$3,000.00)~~ twenty-five thousand dollars
10 (\$25,000.00) in value. The written receipt of the parent
11 shall be an acquittance of the person making the payment or
12 delivery of money or other property.

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14 (b) It is the duty of the parent to apply the funds
15 received under subsection (a) of this section to the use
16 and benefit of the minor.

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18 (c) A parent, guardian or conservator of a minor may
19 enter into a settlement or compromise on behalf of the
20 minor with a person against whom the minor has a claim
21 without first seeking court approval and without first
22 establishing a guardianship or conservatorship for the
23 minor if:

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

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

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

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

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

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

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

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

(B) To the best of the parent's, guardian's or conservator's knowledge:

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

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

(vi) The parent, guardian or conservator of the minor will apply the funds received to the use and benefit of the minor.

(d) A settlement or compromise entered into in compliance with subsection (c) of this section shall, upon

1 signature of the parent, guardian or conservator entering
 2 into the agreement on the minor's behalf, be binding on the
 3 minor without the need for further court approval or review
 4 and shall have the same force and effect as if the minor
 5 were a competent adult entering into the settlement or
 6 compromise.

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8 (e) A minor shall have a cause of action against a
 9 parent, guardian or conservator who fails to manage or
 10 apply all funds received for the sole benefit of the minor,
 11 who fails to make a reasonable inquiry into the minor's
 12 claim, who falsely states that the minor's claim is not
 13 greater than twenty-five thousand dollars (\$25,000.00) to
 14 settle the claim under this section or who otherwise fails
 15 to comply with the requirements of this section in settling
 16 a claim on behalf of the minor.

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18 **Section 2.** This act shall only apply to settlements
 19 or compromises entered into for minors on and after the
 20 effective date of this act.

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1 **Section 3.** This act is effective July 1, 2025.

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(END)