

FIRST REGULAR SESSION

HOUSE BILL NO. 708

96TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES CURTMAN (Sponsor), BAHR, JONES (89), TILLEY, SMITH (150), ENTLICHER, FUHR, WELLS, FRANKLIN, DUGGER, DIECKHAUS, STREAM, ALLEN, KOENIG, HIGDON, LEACH, McCAHERTY, WIELAND, PHILLIPS, LONG, HINSON, KORMAN, WALLINGFORD, ASBURY, JONES (117), COX, LICHTENEGGER, BRATTIN, FITZWATER, FRANZ, NETH, HOUGHTON, McNARY, HOSKINS, BROWN (85), SCHARNHORST, CONWAY (14), HAEFNER AND SOLON (Co-sponsors).

1642L.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To amend chapter 1, RSMo, by adding thereto one new section relating to choice of law.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Chapter 1, RSMo, is amended by adding thereto one new section, to be known as section 1.400, to read as follows:

1.400. 1. The general assembly fully recognizes the right to contract freely under the laws of this state, and also recognizes that this right may be reasonably and rationally circumscribed in accordance with the state's interest to protect and promote rights and privileges granted under the constitutions of this state and the United States.

2. As used in this section, "foreign law, legal code, or system" means any law, legal code, or system of a jurisdiction outside of any state or territory of the United States, including but not limited to international organizations and tribunals, and applied by that jurisdiction's courts, administrative bodies, or other formal or informal tribunals.

3. Any court, arbitration, tribunal, or administrative agency ruling or decision violates the public policy of this state and shall be void and unenforceable if such court, arbitration, tribunal, or administrative agency bases its rulings or decisions in the matter at issue in whole or in part on any law, legal code, or system that would not grant the parties affected by the ruling or decision the same fundamental liberties, rights, and privileges granted under the constitutions of this state and the United States.

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

15 **4. A contract or contractual provision which provides for the choice of law, legal**
16 **code, or system to govern some or all of the disputes between the parties adjudicated by a**
17 **court of law or by an arbitration panel arising from the contract mutually agreed upon**
18 **shall violate the public policy of this state and be void and unenforceable if the law, legal**
19 **code, or system chosen includes or incorporates any substantive or procedural law, as**
20 **applied to the dispute at issue, that would not grant the parties the same fundamental**
21 **liberties, rights, and privileges granted under the constitutions of this state and the United**
22 **States.**

23 **5. (1) A contract or contractual provision which provides for a jurisdiction for**
24 **purposes of granting the courts or arbitration panels in personam jurisdiction over the**
25 **parties to adjudicate any disputes between parties arising from the contract mutually**
26 **agreed upon shall violate the public policy of this state and be void and unenforceable if**
27 **the jurisdiction chosen includes any law, legal code, or system, as applied to the dispute at**
28 **issue, that would not grant the parties the same fundamental liberties, rights, and**
29 **privileges granted under the constitutions of this state and the United States.**

30 **(2) If a resident of this state, subject to personal jurisdiction in this state, seeks to**
31 **maintain litigation, arbitration, agency, or similar binding proceedings in this state and if**
32 **the courts of this state find that granting a claim of forum non conveniens or a related**
33 **claim violates or would likely violate the fundamental liberties, rights, and privileges**
34 **granted under the constitutions of this state and the United States of the nonclaimant in**
35 **the foreign forum with respect to the matter in dispute, it is the public policy of this state**
36 **that the claim shall be denied.**