

SECOND REGULAR SESSION

# HOUSE BILL NO. 2713

98TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE BLACK.

6810H.02I

D. ADAM CRUMBLISS, Chief Clerk

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## AN ACT

To repeal section 407.1062, RSMo, and to enact in lieu thereof two new sections relating to structured settlements.

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

Section A. Section 407.1062, RSMo, is repealed and two new sections enacted in lieu thereof, to be known as sections 407.1061 and 407.1062, to read as follows:

**407.1061. In any structured settlement, the court shall: (1) Appoint an attorney for the plaintiff to represent the plaintiff's best interest; and**

**(2) Make any inquiry necessary to determine the competency of the plaintiff.**

407.1062. No transfer of structured settlement payment rights shall be effective and no structured settlement obligor or annuity issuer shall be required to make any payment directly or indirectly to any transferee of any transfer of structured settlement payment rights unless the transfer has been approved in advance in an order of a court of competent jurisdiction, based on the court's express findings that:

(1) The transfer complies with the requirements of sections 407.1060 to 407.1068 and does not contravene other applicable law;

(2) Not less than ten days prior to the date on which the payee entered into the transfer agreement, the transferee has provided to the payee a disclosure statement in bold type, no smaller than fourteen point, setting forth:

(a) The amounts and due dates of the structured settlement payments to be transferred;

(b) The aggregate amount of the payments;

(c) The discounted present value of the payments, together with the discount rate or rates used in determining the discounted present value;

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 (d) The gross amount payable to the payee in exchange for the payments; and
- 16 (e) An itemized listing of all brokers' commissions, service charges, application or  
17 processing fees, closing costs, filing or administrative charges, legal fees, notary fees and other  
18 commissions, fees, costs, expenses and charges payable by the payee or deductible from the gross  
19 amount otherwise payable to the payee;
- 20 (3) The transfer is in the best interest of the payee and the payee's dependents;
- 21 (4) The transferee has given written notice of the transferee's name, address and taxpayer  
22 identification number to all interested parties and has filed a copy of the notice with the court;
- 23 (5) The payee has consented in writing to the transfer;
- 24 (6) The payee has been represented by disinterested counsel in connection with the  
25 transfer [or] **and** the payee understands the nature of the transaction and the economic  
26 consequences of the transaction; [and]
- 27 (7) The payment to be made to the payee by the transferee is equal to the fair market  
28 value of the structured settlement rights being transferred; **and**
- 29 **(8) The payee is twenty-one years of age or older.**

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