STATE OF NEW YORK

8706

2025-2026 Regular Sessions

IN ASSEMBLY

June 2, 2025

Introduced by M. of A. WALKER -- read once and referred to the Committee on Codes

AN ACT to amend the civil practice law and rules, in relation to prohibiting certain entities from negotiating any contracts or settlements releasing such entities from liability for a tortious or potentially tortious act within thirty days of such act

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. This act shall be known and may be cited as the "unfair settlement timing act (USTA)".

§ 2. The civil practice law and rules is amended by adding a new section 5003-c to read as follows:

§ 5003-c. Fair settlement timing. Notwithstanding any other law or rule, no person, firm or corporation whose interest is adverse to that of a person receiving personal injuries or death as a result of a tortious or potentially tortious act may negotiate any contract, written or oral, or any settlement to release such person, firm or corporation from liability for such act within thirty days from the date of the tortious or potentially tortious act. Any contract, settlement or release obtained in violation of this section shall be voidable at the option of the releasor.

§ 3. This act shall take effect immediately.

EXPLANATION--Matter in *italics* (underscored) is new; matter in brackets [-] is old law to be omitted.

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