

# Missouri Governor Mike Parson signs comprehensive legislation regulating Consumer Legal Funding

JEFFERSON CITY, MO, UNITED STATES, July 7, 2023 /EINPresswire.com/ -- Missouri Governor Michael Parson signed an omnibus bill, SB 103, containing sweeping new regulations for the growing industry of consumer legal funding—bringing meaningful oversight of provider companies for the first time in the state's history.

Missouri now joins several states, like Oklahoma, Nebraska, Ohio, Utah, Nevada, Vermont, Tennessee, Indiana, and Maine, who have acted to enact consumer protections while preserving consumer choice.



Consumer legal funding—also known as pre-settlement funding—is a specialty financial service that allows plaintiffs pursuing a legal claim to sell part of the potential proceeds of the claim for cash now. Unlike a loan, there is no obligation to the funding company if the consumer does not have a successful outcome in their claim. And because it's the sale of an asset, it can't affect a person's credit or put them into collections. This legislation ensured that it will be treated as a consumer asset.

“Consumer legal funding is a financial lifeline to those engaged in civil litigation who lack savings. Governor Parson giving his approval to this legislation is a win for robust consumer protections and protecting access to legal funding in Missouri.” Stated Missouri State Representative Phil Christofanelli

Missouri State Senator Sandy Crawford stated "I am pleased that we were finally able to take the Consumer Legal Funding legislation across the finish line. Although this process has taken several years, I am confident the finished product was worth the time it took. I was happy to play a role in passing this important legislation."

“Consumer legal funding is different from a lot of other financial products. It allows a consumer to get the financial assistance they need while their claim is making its way through the legal system.” said Eric Schuller, President Alliance for Responsible Consumer Legal Funding, the Trade Association that represents the companies that offer Consumer Legal Funding.

Missouri State Senator Curtis Trent stated: “I appreciate the Governor’s support. This measure will ensure that Missourians have better access to the financial resources they need to protect their rights in Court.”

Schuller said, “this is well-researched legislation we’ve seen comes out in the last few years. It’s sure to serve as a model for other states in the years to come. This is good lawmaking in action—a trend which should continue.”

#### About ARC

The Alliance for Responsible Consumer Legal Funding (ARC) is a coalition established to preserve legal funding as a choice for the many Americans who have suffered an unexpected economic loss due to an accident and have a pending legal claim. Legal funding can help families pay for immediate personal needs such as rent, mortgages, car repairs, utilities and groceries while they wait for their claims to settle fairly. ARC trade association promotes practices and regulations that lead to informed decisions between individuals and their attorneys, so families have more options—not fewer.

<http://arclegalfunding.org/>

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