

HOUSE BILL No. 1098

DIGEST OF INTRODUCED BILL

Citations Affected: IC 34-51-3.

Synopsis: Punitive damages. Provides that, in a civil action where punitive damages are awarded, 25% of the punitive damages awarded will go to the violent crime victims compensation fund and 75% of the punitive damages awarded will be paid to the person to whom the punitive damages were awarded. (Current law mandates that 25% of punitive damages awarded are paid to the person to whom the punitive damages were awarded and 75% of punitive damages go to the violent crime victims compensation fund.) Provides that certain limitations on punitive damages do not apply to civil actions where the defendant has been charged with committing an act of sexual misconduct and the act of sexual misconduct gives rise to the civil action. Raises the cap on punitive damages for such claims to \$250,000. Provides that the exception to the punitive damages law does not apply to a cause of action brought against an employer whose liability is based solely on the doctrine of respondeat superior.

Effective: July 1, 2020.

Steuerwald

January 7, 2020, read first time and referred to Committee on Judiciary.



Second Regular Session of the 121st General Assembly (2020)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2019 Regular Session of the General Assembly.

HOUSE BILL No. 1098

A BILL FOR AN ACT to amend the Indiana Code concerning civil procedure.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 34-51-3-1 IS AMENDED TO READ AS
- 2 FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 1. **Except as provided**
- 3 **in section 7 of this chapter**, this chapter applies to all cases in which
- 4 a party requests the recovery of punitive damages in a civil action.
- 5 SECTION 2. IC 34-51-3-4 IS AMENDED TO READ AS
- 6 FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 4. **Except as provided**
- 7 **in section 7 of this chapter**, a punitive damage award may not be more
- 8 than the greater of:
- 9 (1) three (3) times the amount of compensatory damages awarded
- 10 in the action; or
- 11 (2) fifty thousand dollars (\$50,000).
- 12 SECTION 3. IC 34-51-3-5 IS AMENDED TO READ AS
- 13 FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 5. **Except as provided**
- 14 **in section 7 of this chapter**, if a trier of fact awards punitive damages
- 15 that exceed the limitation under section 4 of this chapter, the court shall
- 16 reduce the punitive damage award to not more than the greater of:
- 17 (1) three (3) times the amount of compensatory damages awarded



1 in the action; or

2 (2) fifty thousand dollars (\$50,000).

3 SECTION 4. IC 34-51-3-6, AS AMENDED BY P.L.1-2007,
4 SECTION 224, IS AMENDED TO READ AS FOLLOWS
5 [EFFECTIVE JULY 1, 2020]: Sec. 6. (a) Except as provided in
6 IC 13-25-4-10 **and section 7 of this chapter**, when a finder of fact
7 announces a verdict that includes a punitive damage award in a civil
8 action, the party against whom the judgment was entered shall notify
9 the office of the attorney general of the punitive damage award.

10 (b) When a punitive damage award is paid, the party against whom
11 the judgment was entered shall pay the punitive damage award to the
12 clerk of the court where the action is pending.

13 (c) Upon receiving the payment described in subsection (b), the
14 clerk of the court shall:

15 (1) pay the person to whom punitive damages were awarded
16 ~~twenty-five percent (25%)~~ **seventy-five percent (75%)** of the
17 punitive damage award; and

18 (2) pay the remaining ~~seventy-five percent (75%)~~ **twenty-five**
19 **percent (25%)** of the punitive damage award to the treasurer of
20 state, who shall deposit the funds into the violent crime victims
21 compensation fund established by IC 5-2-6.1-40.

22 (d) The office of the attorney general may negotiate and
23 compromise a punitive damage award described in subsection (c)(2).

24 (e) The state's interest in a punitive damage award described in
25 subsection (c)(2) is effective when a finder of fact announces a verdict
26 that includes punitive damages.

27 SECTION 5. IC 34-51-3-7 IS ADDED TO THE INDIANA CODE
28 AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE JULY
29 1, 2020]: **Sec. 7. (a) This section applies to a cause of action that**
30 **accrues after June 30, 2021.**

31 **(b) Sections 4, 5, and 6 of this chapter do not apply to a civil**
32 **action:**

33 **(1) brought against a person who has been charged with**
34 **committing a criminal act described in:**

35 **(A) IC 35-42-4-1;**

36 **(B) IC 35-42-4-3;**

37 **(C) IC 35-42-4-4;**

38 **(D) IC 35-42-4-5;**

39 **(E) IC 35-42-4-6;**

40 **(F) IC 35-42-4-7;**

41 **(G) IC 35-42-4-8;**

42 **(H) IC 35-42-4-9;**



- 1 **(I) IC 35-42-4-10;**
2 **(J) IC 35-42-4-12;**
3 **(K) IC 35-42-4-12.5; or**
4 **(L) IC 35-42-4-13; and**
5 **(2) where the act described in subdivision (1) gives rise to the**
6 **civil action.**
7 **(c) A punitive damage award under this section may not be**
8 **more than the greater of:**
9 **(1) three (3) times the amount of compensatory damages**
10 **awarded in the action; or**
11 **(2) two hundred fifty thousand dollars (\$250,000).**
12 **(d) If a trier of fact awards punitive damages that exceed the**
13 **limitation under subsection (c), the court shall reduce the punitive**
14 **damage award to not more than the greater of:**
15 **(1) three (3) times the amount of compensatory damages**
16 **awarded in the action; or**
17 **(2) two hundred fifty thousand dollars (\$250,000).**
18 **(e) This section does not apply to a cause of action brought**
19 **against an employer whose liability is based solely on the doctrine**
20 **of respondeat superior.**

