



Reprinted
February 13, 2019

SENATE BILL No. 27

DIGEST OF SB 27 (Updated February 12, 2019 3:22 pm - DI 128)

Citations Affected: IC 34-51.

Synopsis: Punitive damages. 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 cap on punitive damages for such claims to \$250,000. Provides that 25% of 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. 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, 2019.

**Becker, Head, Ruckelshaus, Merritt,
Grooms, Freeman, Lanane,
Randolph Lonnie M, Bohacek,
Ford Jon**

January 3, 2019, read first time and referred to Committee on Judiciary.
January 24, 2019, amended, reported favorably — Do Pass.
January 28, 2019, read second time, ordered engrossed. Engrossed.
January 29, 2019, returned to second reading.
February 12, 2019, re-read second time, amended, ordered engrossed.

SB 27—LS 6059/DI 128



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First Regular Session of the 121st General Assembly (2019)

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 2018 Regular and Special Session of the General Assembly.

SENATE BILL No. 27

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, 2019]: 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, 2019]: 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, 2019]: 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

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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, 2019]: 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, 2019]: **Sec. 7. (a) This section applies to a cause of action that**
30 **accrues after June 30, 2020.**

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.**



COMMITTEE REPORT

Madam President: The Senate Committee on Judiciary, to which was referred Senate Bill No. 27, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 34-51-3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 1. **Except as provided in section 7 of this chapter**, this chapter applies to all cases in which a party requests the recovery of punitive damages in a civil action."

Page 2, delete lines 22 through 40, begin a new paragraph and insert:

"SECTION 4. IC 34-51-3-7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 7. (a) **This section applies to a cause of action that accrues after June 30, 2020.**

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

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

- (A) IC 35-42-4-1;
- (B) IC 35-42-4-3;
- (C) IC 35-42-4-4;
- (D) IC 35-42-4-5;
- (E) IC 35-42-4-6;
- (F) IC 35-42-4-7;
- (G) IC 35-42-4-8;
- (H) IC 35-42-4-9;
- (I) IC 35-42-4-10;
- (J) IC 35-42-4-12;
- (K) IC 35-42-4-12.5; or
- (L) IC 35-42-4-13; and

(2) **where the act described in subdivision (1) gives rise to the civil action.**

(c) **This section does not apply to a cause of action brought**



against an employer whose liability is based solely on the doctrine of respondeat superior."

Renumber all SECTIONS consecutively.
and when so amended that said bill do pass.

(Reference is to SB 27 as introduced.)

HEAD, Chairperson

Committee Vote: Yeas 8, Nays 0.

SENATE MOTION

Madam President: I move that Engrossed Senate Bill 27, which is eligible for third reading, be returned to second reading for purposes of amendment.

BECKER

SENATE MOTION

Madam President: I move that Senate Bill 27 be amended to read as follows:

Page 3, between lines 5 and 6, begin a new paragraph and insert:

"(c) A punitive damage award under this section may not be more than the greater of:

(1) three (3) times the amount of compensatory damages awarded in the action; or

(2) two hundred fifty thousand dollars (\$250,000).

(d) If a trier of fact awards punitive damages that exceed the limitation under subsection (c), the court shall reduce the punitive damage award to not more than the greater of:

(1) three (3) times the amount of compensatory damages awarded in the action; or

(2) two hundred fifty thousand dollars (\$250,000)."

Page 3, line 6, delete "(c)" and insert "(e)".

(Reference is to SB 27 as printed January 25, 2019.)

HEAD

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SENATE MOTION

Madam President: I move that Senate Bill 27 be amended to read as follows:

Page 2, line 16, strike "twenty-five percent (25%)" and insert "**seventy-five percent (75%)**".

Page 2, line 17, strike "seventy-five percent (75%)" and insert "**twenty-five percent (25%)**".

(Reference is to SB 27 as printed January 25, 2019.)

YOUNG M

