



January 25, 2019

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## SENATE BILL No. 27

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DIGEST OF SB 27 (Updated January 23, 2019 10:07 am - DI 128)

**Citations Affected:** IC 34-51.

**Synopsis:** Punitive damages. Provides that 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. 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.

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

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January 3, 2019, read first time and referred to Committee on Judiciary.  
January 24, 2019, amended, reported favorably — Do Pass.

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SB 27—LS 6059/DI 128





January 25, 2019

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

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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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in the action; or

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

SECTION 4. IC 34-51-3-6, AS AMENDED BY P.L.1-2007, SECTION 224, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 6. (a) Except as provided in IC 13-25-4-10 **and section 7 of this chapter**, when a finder of fact announces a verdict that includes a punitive damage award in a civil action, the party against whom the judgment was entered shall notify the office of the attorney general of the punitive damage award.

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

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

(1) pay the person to whom punitive damages were awarded twenty-five percent (25%) of the punitive damage award; and

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

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

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

SECTION 5. 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;



1                   **(J) IC 35-42-4-12;**  
2                   **(K) IC 35-42-4-12.5; or**  
3                   **(L) IC 35-42-4-13; and**  
4                   **(2) where the act described in subdivision (1) gives rise to the**  
5                   **civil action.**  
6                   **(c) This section does not apply to a cause of action brought**  
7                   **against an employer whose liability is based solely on the doctrine**  
8                   **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.

