## HOUSE BILL NO. 714

# INTRODUCED BY SPAETH, RAMIREZ

# BY REQUEST OF THE DEPARTMENT OF ADMINISTRATION

#### IN THE HOUSE

February 7, 1985	Introduced and referred to Committee on Judiciary.
February 25, 1985	On motion, taken from Committee on Judiciary and referred to second reading.
	Bill printed and placed on members' desks.
February 27, 1985	Second reading, do pass as amended.
	On motion, rules suspended and bill placed on third reading this day.
	Third reading, passed.
	Transmitted to Senate.

#### IN THE SENATE

March 5, 1985	Introduced and referred to Committee on Judiciary.
March 23, 1985	Committee recommend bill be concurred in. Report adopted.
March 27, 1985	Second reading, concurred in.
March 29, 1985	Third reading, concurred in. Ayes, 42; Noes, 7.
	Returned to House.

## IN THE HOUSE

March 29, 1985

Received from Senate.

Sent to enrolling.

Reported correctly enrolled.

1	HOUSE BILL NO. 714
2	INTRODUCED BY Smith Ramers
3	BY REQUEST OF THE DEPARTMENT OF ADMINISTRATION

A BILL FOR AN ACT ENTITLED: "AN ACT TO CLARIFY THE DEFINITION OF "CLAIM" UNDER MONTANA'S TORT CLAIMS LAW;

AMENDING SECTIONS 2-9-101 AND 2-9-107, MCA; PROVIDING RETROACTIVE APPLICABILITY; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 2-9-101, MCA, is amended to read:
"2-9-101. Definitions. As used in parts 1 through 3 of
this chapter, the following definitions apply:

entity, for money damages only, which any person is legally entitled to recover as damages because of personal injury or property damage caused by a negligent or wrongful act or omission committed by any employee of the governmental entity while acting within the scope of his employment, under circumstances where the governmental entity, if a private person, would be liable to the claimant for such damages under the laws of the state. For purposes of this section and the limit of liability contained in 2-9-107, all claims which arise or derive from personal injury to or

Montana Legislative Council

death of a single person, or damage to property of a person,
regardless of the number of persons or entities claiming
damages thereby, are considered one claim.

- (2) "Employee" means an officer, employee, or servant of a governmental entity, including elected or appointed officials, and persons acting on behalf of the governmental entity in any official capacity temporarily or permanently in the service of the governmental entity whether with or without compensation, but the term employee shall not mean a person or other legal entity while acting in the capacity of an independent contractor under contract to the governmental entity to which parts 1 through 3 apply in the event of a claim.
- (3) "Governmental entity" means and includes the state and political subdivisions as herein defined.
- 16 (4) "Personal injury" means any injury resulting from
  17 libel, slander, malicious prosecution, or false arrest, any
  18 bodily injury, sickness, disease, or death sustained by any
  19 person and caused by an occurrence for which the state may
  20 be held liable.
- 21 (5) "Political subdivision" means any county, city,
  22 municipal corporation, school district, special improvement
  23 or taxing district, or any other political subdivision or
  24 public corporation.
  - (6) "Property damage" means injury or destruction to

tangible property, including loss of use thereof, caused by
an occurrence for which the state may be held liable.

- (7) "State" means the state of Montana or any office, department, agency, authority, commission, board, institution, hospital, college, university, or other instrumentality thereof."
- Section 2. Section 2-9-107, MCA, is amended to read:

  "2-9-107. Limitation on governmental liability for
  damages in tort. (1) Neither the state, a county,
  municipality, taxing district, nor any other political
  subdivision of the state is liable in tort action for
  damages suffered as a result of an act or omission of an
  officer, agent, or employee of that entity in excess of
  \$300,000 for each claimant claim and \$1 million for each
  occurrence.
  - (2) No insurer is liable for excess damages unless such insurer specifically agrees by written endorsement to provide coverage to the governmental agency involved in amounts in excess of a limitation stated in this section, in which case the insurer may not claim the benefits of the limitation specifically waived."
- NEW SECTION. Section 3. Applicability. This act applies retroactively, within the meaning of 1-2-109, to all claims, lawsuits, and causes of action arising after July 1, 1977, which have not been reduced to final judgment.

- NEW SECTION. Section 4. Severability. If a part of this act is invalid, all valid parts that are severable from the invalid part remain in effect. If a part of this act is invalid in one or more of its applications, the part remains in effect in all valid applications that are severable from the invalid applications.
- NEW SECTION. Section 5. Effective date. This act is
   effective on passage and approval.

-End-

15

16

17

18

19

20

25

# APPROVED BY COMMITTEE ON JUDICIARY

1	HOUSE BILL NO. 214
2	INTRODUCED BY Small Rammer
3	BY REQUEST OF THE DEPARTMENT OF ADMINISTRATION

4

6

7

8

9

A BILL FOR AN ACT ENTITLED: "AN ACT TO CLARIFY THE DEFINITION OF "CLAIM" UNDER MONTANA'S TORT CLAIMS LAW;

AMENDING SECTIONS 2-9-101 AND 2-9-107, MCA; PROVIDING RETROACTIVE APPLICABILITY; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

10 11

15

16

17

18

19

20 21

22

23

24

25

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 2-9-101, MCA, is amended to read:

"2-9-101. Definitions. As used in parts 1 through 3 of
this chapter, the following definitions apply:

(1) "Claim" means any claim against a governmental entity, for money damages only, which any person is legally entitled to recover as damages because of personal injury or property damage caused by a negligent or wrongful act or omission committed by any employee of the governmental entity while acting within the scope of his employment, under circumstances where the governmental entity, if a private person, would be liable to the claimant for such damages under the laws of the state. For purposes of this section and the limit of liability contained in 2-9-107, all claims which arise or derive from personal injury to or

Montana Legislative Council

death of a single person, or damage to property of a person,
regardless of the number of persons or entities claiming
damages thereby, are considered one claim.

- 4 (2) "Employee" means an officer, employee, or servant
  5 of a governmental entity, including elected or appointed
  6 officials, and persons acting on behalf of the governmental
  7 entity in any official capacity temporarily or permanently
  8 in the service of the governmental entity whether with or
  9 without compensation, but the term employee shall not mean a
  10 person or other legal entity while acting in the capacity of
  11 an independent contractor under contract to the governmental
  12 entity to which parts 1 through 3 apply in the event of a
  13 claim.
  - (3) "Governmental entity" means and includes the state and political subdivisions as herein defined.
  - (4) "Personal injury" means any injury resulting from libel, slander, malicious prosecution, or false arrest, any bodily injury, sickness, disease, or death sustained by any person and caused by an occurrence for which the state may be held liable.
- 21 (5) "Political subdivision" means any county, city,
  22 municipal corporation, school district, special improvement
  23 or taxing district, or any other political subdivision or
  24 public corporation.
  - (6) "Property damage" means injury or destruction to

- tangible property, including loss of use thereof, caused by
  an occurrence for which the state may be held liable.
- 3 (7) "State" means the state of Montana or any office,
  4 department, agency, authority, commission, board,
  5 institution, hospital, college, university, or other
  6 instrumentality thereof."
- 7 Section 2. Section 2-9-107, MCA, is amended to read: 8 "2-9-107. Limitation on governmental liability for 9 damages in tort. (1) Neither the state, a county, 10 municipality, taxing district, nor any other political 11 subdivision of the state is liable in tort action for damages suffered as a result of an act or omission of an 12 13 officer, agent, or employee of that entity in excess of \$300,000 for each claimant claim and \$1 million for each 14 15 occurrence.
  - (2) No insurer is liable for excess damages unless such insurer specifically agrees by written endorsement to provide coverage to the governmental agency involved in amounts in excess of a limitation stated in this section, in which case the insurer may not claim the benefits of the limitation specifically waived."

17 18

19

20

21

NEW SECTION. Section 3. Applicability. This act applies retroactively, within the meaning of 1-2-109, to all claims, lawsuits, and causes of action arising after July 1, 1977, which have not been reduced to final judgment.

- NEW SECTION. Section 4. Severability. If a part of this act is invalid, all valid parts that are severable from the invalid part remain in effect. If a part of this act is invalid in one or more of its applications, the part remains in effect in all valid applications that are severable from the invalid applications.
- 7 NEW SECTION. Section 5. Effective date. This act is 8 effective on passage and approval.

-End-

25

2

3

16

17

18

19

20

25

2	INTRODUCED BY SPAETH, RAMIREZ
3	BY REQUEST OF THE DEPARTMENT OF ADMINISTRATION
4	
5	A BILL FOR AN ACT ENTITLED: "AN ACT TO CLARIFY THE
6	DEFINITION OF "CLAIM" UNDER MONTANA'S TORT CLAIMS LAW;
7	AMENDING SECTIONS 2-9-101 AND 2-9-107, MCA; PROVIDING
8	RETROACTIVEAPPLICABILITY; AND PROVIDING AN IMMEDIATE
9	EFFECTIVE DATE."
10	
11	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
12	Section 1. Section 2-9-101, MCA, is amended to read:
13	"2-9-101. Definitions. As used in parts 1 through 3 of
14	this chapter, the following definitions apply:
15	(1) "Claim" means any claim against a governmental
16	entity, for money damages only, which any person is legally
17	entitled to recover as damages because of personal injury or
18	property damage caused by a negligent or wrongful act or
19	omission committed by any employee of the governmental
20	entity while acting within the scope of his employment,
21	under circumstances where the governmental entity, if a
22	private person, would be liable to the claimant for such
23	damages under the laws of the state. For purposes of this
24	section and the limit of liability contained in 2-9-107, all

claims which arise or derive from personal injury to or

HOUSE BILL NO. 714

- death of a single person, or damage to property of a person,
  regardless of the number of persons or entities claiming
  damages thereby, are considered one claim.
- (2) "Employee" means an officer, employee, or servant 5 of a governmental entity, including elected or appointed officials, and persons acting on behalf of the governmental 7 entity in any official capacity temporarily or permanently 8 in the service of the governmental entity whether with or 9 without compensation, but the term employee shall not mean a 10 person or other legal entity while acting in the capacity of 11 an independent contractor under contract to the governmental 12 entity to which parts 1 through 3 apply in the event of a 13 claim.
- 14 (3) "Governmental entity" means and includes the state
  15 and political subdivisions as herein defined.
  - (4) "Personal injury" means any injury resulting from libel, slander, malicious prosecution, or false arrest, any bodily injury, sickness, disease, or death sustained by any person and caused by an occurrence for which the state may be held liable.
- 21 (5) "Political subdivision" means any county, city,
  22 municipal corporation, school district, special improvement
  23 or taxing district, or any other political subdivision or
  24 public corporation.
  - (6) "Property damage" means injury or destruction to

-2-

HB 0714/02

HB 0714/02

tangible property, including loss of use thereof, caused by
an occurrence for which the state may be held liable.

3

16. 17

18

19

20

21

(7) "State" means the state of Montana or any office, department, agency, authority, commission, board, institution, hospital, college, university, or other instrumentality thereof."

Section 2. Section 2-9-107, MCA, is amended to read: 7 \*2-9-107. Limitation on governmental liability for В 9 damages in tort. (1) Neither the state, a county. municipality, taxing district, nor any other political 10 subdivision of the state is liable in tort action for 11 12 damages suffered as a result of an act or omission of an officer, agent, or employee of that entity in excess of 13 \$300,000 for each claimant claim and \$1 million for each 14 15 occurrence.

(2) No insurer is liable for excess damages unless such insurer specifically agrees by written endorsement to provide coverage to the governmental agency involved in amounts in excess of a limitation stated in this section, in which case the insurer may not claim the benefits of the limitation specifically waived.\*

NEW-SECTION:--Section-3:--Applicability:-----This---act
applies-retroactively;-within-the-meaning-of-1-2-169;-to-all
claims;-lawsuits;-and-causea-of-action-arising-after-July-1;
1977;-which-have-not-been-reduced-to-final-judgment:

NEW SECTION: Section 3. Severability. If a part of this act is invalid, all valid parts that are severable from the invalid part remain in effect. If a part of this act is invalid in one or more of its applications, the part remains in effect in all valid applications that are severable from the invalid applications.

NEW SECTION. Section 4. Effective date. This act is
 effective on passage and approval.

\_PnA\_

-4- HB 714

49th Legislature

1

2

HB 0714/02

HB 0714/02

3	BY REQUEST OF THE DEPARTMENT OF ADMINISTRATION
4	
5	A BILL FOR AN ACT ENTITLED: "AN ACT TO CLARIFY THE
6	DEFINITION OF "CLAIM" UNDER MONTANA'S TORT CLAIMS LAW;
7	AMENDING SECTIONS 2-9-101 AND 2-9-107, MCA; PROVIDING
8	RETROACTIVEAPPLICABILITY; AND PROVIDING AN IMMEDIATE
9	EFFECTIVE DATE."
10	
11	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA;
12	Section 1. Section 2-9-101, MCA, is amended to read:
13	"2-9-101. Definitions. As used in parts 1 through 3 of
14	this chapter, the following definitions apply:
15	(1) "Claim" means any claim against a governmental
16	entity, for money damages only, which any person is legally
17	entitled to recover as damages because of personal injury or
18	property damage caused by a negligent or wrongful act or
19	omission committed by any employee of the governmental
20	entity while acting within the scope of his employment,
21	under circumstances where the governmental entity, if a
22	private person, would be liable to the claimant for such
23	damages under the laws of the state. For purposes of this
24	section and the limit of liability contained in 2-9-107, all
25	claims which arise or derive from personal injury to or

HOUSE BILL NO. 714

INTRODUCED BY SPAETH, RAMIREZ

2	regardless of the number of persons or entities claiming
3	damages thereby, are considered one claim.
4	(2) "Employee" means an officer, employee, or servant
5	of a governmental entity, including elected or appointed
6	officials, and persons acting on behalf of the governmental
7	entity in any official capacity temporarily or permanently
8	in the service of the governmental entity whether with or
9	without compensation, but the term employee shall not mean a
10	person or other legal entity while acting in the capacity of
11	an independent contractor under contract to the governmental
12	entity to which parts 1 through 3 apply in the event of a
13	claim.

death of a single person, or damage to property of a person,

- 14 (3) "Governmental entity" means and includes the state
  15 and political subdivisions as herein defined.
- 16 (4) "Personal injury" means any injury resulting from
  17 libel, slander, malicious prosecution, or false arrest, any
  18 bodily injury, sickness, disease, or death sustained by any
  19 person and caused by an occurrence for which the state may
  20 be held liable.
- 21 (5) "Political subdivision" means any county, city, 22 municipal corporation, school district, special improvement 23 or taxing district, or any other political subdivision or 24 public corporation.
- 25 (6) "Property damage" means injury or destruction to

tangible property, including loss of use thereof, caused by an occurrence for which the state may be held liable.

1

2

16 17

18

19

20 21

22

23

24

25

- 3 (7) "State" means the state of Montana or any office,
  4 department, agency, authority, commission, board,
  5 institution, hospital, college, university, or other
  6 instrumentality thereof."
- 7 Section 2. Section 2-9-107, MCA, is amended to read: \*2-9-107. Limitation on governmental liability for 9 damages in tort. (1) Neither the state, a county, municipality, taxing district, nor any other political 10 subdivision of the state is liable in tort action for 11 12 damages suffered as a result of an act or omission of an officer, agent, or employee of that entity in excess of 13 \$300,000 for each elaimant claim and \$1 million for each 14 15 occurrence.
  - (2) No insurer is liable for excess damages unless such insurer specifically agrees by written endorsement to provide coverage to the governmental agency involved in amounts in excess of a limitation stated in this section, in which case the insurer may not claim the benefits of the limitation specifically waived."
  - NEW-SECTION:--Section-3:--Applicability:----This---act applies-retroactively;-within-the-meaning-of-1-2-109;-to-all claims;-lawsuits;-and-causes-of-action-arising-after-July-1; 1977;-which-have-not-been-reduced-to-final-judgment:

- NEW SECTION. Section 3. Severability. If a part of this act is invalid, all valid parts that are severable from
- 3 the invalid part remain in effect. If a part of this act is
- 4 invalid in one or more of its applications, the part remains
- 5 in effect in all valid applications that are severable from
- 6 the invalid applications.
- 7 NEW SECTION. Section 4. Effective date. This act is
- 8 effective on passage and approval.

-End-

-4-