

HOUSE BILL 512

Introduced by Rice et al.

2/01	Introduced
2/02	Referred to Judiciary
2/08	Hearing
2/11	Committee Report--Bill Passed as Amended
2/14	2nd Reading Do Pass Motion Failed

HOUSE BILL NO. *512*

INTRODUCED BY *Rice, Wm E. Bohannon, J. Barker, Rick*

Mark L. Nelson

A BILL FOR AN ACT ENTITLED: "AN ACT PROHIBITING THE AWARD OF PUNITIVE DAMAGES IN AN ACTION IF A PRODUCT, STRUCTURE, OR SERVICE ALLEGED TO HAVE CAUSED HARM COMPLIED WITH GOVERNMENT STANDARDS; AMENDING SECTION 27-1-220, MCA; AND PROVIDING AN APPLICABILITY DATE."

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

Section 1. Section 27-1-220, MCA, is amended to read:

"27-1-220. Punitive damages -- when allowed. (1)

Except as otherwise expressly provided by statute, a judge or jury may award, in addition to compensatory damages, punitive damages for the sake of example and for the purpose of punishing a defendant.

(2) (a) Unless otherwise expressly provided by statute, punitive damages may not be recovered in any action arising from:

(i) contract; or

(ii) breach of contract.

(b) Subsection (2)(a) does not prohibit recovery of punitive damages in ~~a products-liability-action-or~~ an action arising under 33-18-201.

(3) Absent proof by clear and convincing evidence that

the defendant intentionally and fraudulently withheld from or misrepresented to the state or federal agency information known to be material and relevant to the harm in question, punitive damages may not be awarded in an action in which a product, structure, or service alleged to have caused the claimant's harm complied in material respects, at the time of manufacture, construction, or rendering of the service, with standards, conditions, or specifications established, adopted, or approved by federal or state law or by an agency of the federal or state government responsible for the design, formulation, labeling, packaging, performance, or approval of the product, structure, or service."

NEW SECTION. Section 2. Applicability. [This act] applies to causes of action that arise after [the effective date of this act].

-End-

APPROVED BY COMMITTEE
ON JUDICIARY

HOUSE BILL NO. 512

INTRODUCED BY RICE, BOHARSKI, STICKNEY, J. BROWN,

PECK, HARPER, MARKS, L. NELSON, SPAETH

A BILL FOR AN ACT ENTITLED: "AN ACT PROHIBITING THE AWARD OF PUNITIVE DAMAGES IN AN ACTION IF A PRODUCT, OR STRUCTURE, OR--SERVICE ALLEGED TO HAVE CAUSED HARM COMPLIED WITH GOVERNMENT STANDARDS; AMENDING SECTION 27-1-220, MCA; AND PROVIDING AN APPLICABILITY DATE."

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Section 1. Section 27-1-220, MCA, is amended to read:**"27-1-220. Punitive damages -- when allowed. (1)**

Except as otherwise expressly provided by statute, a judge or jury may award, in addition to compensatory damages, punitive damages for the sake of example and for the purpose of punishing a defendant.

(2) (a) Unless otherwise expressly provided by statute, punitive damages may not be recovered in any action arising from:

(i) contract; or

(ii) breach of contract.

(b) Subsection (2)(a) does not prohibit recovery of punitive damages in a-products-liability-action-or an action arising under 33-18-201.

(3) Absent proof by clear and convincing evidence that the defendant intentionally and fraudulently withheld from or misrepresented to the state or federal agency information known to be material and relevant to the harm in question, punitive damages may not be awarded in an action in which a product, OR structure, or service alleged to have caused the claimant's harm complied in material respects, at the time of manufacture, OR construction, or rendering of the service, with RELEVANT standards, conditions, or specifications established, adopted, or approved by federal or state law or by an agency of the federal or state government responsible for the design, formulation, labeling, packaging, performance, or approval of the product, OR structure, or service.

NEW SECTION. Section 2. Applicability. [This act] applies to causes of action that arise after [the effective date of this act].

-End-

SECOND READING