HOUSE BILL 512

Introduced by Rice et al.

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

LC 0801/01

LC 0801/01

Hall SF BILL NO. 512 INTRODUCED BY Rice Win & Bithing & Broken Speck 1 2 3 A BILL FOR AN ACT ENTITLED: "AN ACT PROHIBITING THE AWARD 4 OF PUNITIVE DAMAGES IN AN ACTION IF A PRODUCT, STRUCTURE, OR 5 SERVICE ALLEGED TO HAVE CAUSED HARM COMPLIED WITH GOVERNMENT 6 STANDARDS; AMENDING SECTION 27-1-220, MCA; AND PROVIDING AN 7 APPLICABILITY DATE." 8 9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 10 Section 1. Section 27-1-220, MCA, is amended to read: 11 12 "27-1-220. Punitive damages -- when allowed. (1) 13 Except as otherwise expressly provided by statute, a judge or jury may award, in addition to compensatory damages, 14 15 punitive damages for the sake of example and for the purpose of punishing a defendant. 16

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

20 (i) contract; or

21 (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.

25 (3) Absent proof by clear and convincing evidence that

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1	the defendant intentionally and fraudulently withheld from
2	or misrepresented to the state or federal agency information
3	known to be material and relevant to the harm in question,
4	punitive damages may not be awarded in an action in which a
5	product, structure, or service alleged to have caused the
6	claimant's harm complied in material respects, at the time
7	of manufacture, construction, or rendering of the service,
8	with standards, conditions, or specifications established,
9	adopted, or approved by federal or state law or by an agency
10	of the federal or state government responsible for the
11	design, formulation, labeling, packaging, performance, or
12	approval of the product, structure, or service."
13	NEW SECTION. Section 2. Applicability. [This act]
14	applies to causes of action that arise after [the effective
15	date of this act].

~End-

-2- INTRODUCED BILL HB 512

51st Legislature

HB 0512/02

APPROVED BY COMMITTEE ON JUDICIARY

1	HOUSE BILL NO. 512
2	INTRODUCED BY RICE, BOHARSKI, STICKNEY, J. BROWN,
3	PECK, HARPER, MARKS, L. NELSON, SPAETH
4	
5	A BILL FOR AN ACT ENTITLED: "AN ACT PROHIBITING THE AWARD
6	OF PUNITIVE DAMAGES IN AN ACTION IF A PRODUCT7 OR STRUCTURE7
7	ORSERVICE ALLEGED TO HAVE CAUSED HARM COMPLIED WITH
8	GOVERNMENT STANDARDS; AMENDING SECTION 27-1-220, MCA; AND
9	PROVIDING AN APPLICABILITY DATE."
10	
11	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
12	Section 1. Section 27-1-220, MCA, is amended to read:
13	*27-1-220. Punitive damages when allowed. (1)
14	Except as otherwise expressly provided by statute, a judge
15	or jury may award, in addition to compensatory damages,
16	punitive damages for the sake of example and for the purpose
17	of punishing a defendant.
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 19 statute, punitive damages may not be recovered in any action
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arising under 33-18-201.

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1	(3) Absent proof by clear and convincing evidence that
2	the defendant intentionally and fraudulently withheld from
3	or misrepresented to the state or federal agency information
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5	punitive damages may not be awarded in an action in which a
6	product, OR structure, or service alleged to have caused the
7	claimant's harm complied in material respects, at the time
B	of manufacture, OR construction,-or-rendering-of-the
9	service, with RELEVANT standards, conditions, or
9 10	service, with RELEVANT standards, conditions, or specifications established, adopted, or approved by federal
10	specifications established, adopted, or approved by federal
10 11	specifications established, adopted, or approved by federal or state law or by an agency of the federal or state
10 11 12	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,
10 11 12 13	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

17 date of this act].

-End-

SECOND READING

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HB 512