

SECOND REGULAR SESSION

[PERFECTED]

HOUSE COMMITTEE SUBSTITUTE FOR

# HOUSE BILL NO. 1718

103RD GENERAL ASSEMBLY

5078H.02P

JOSEPH ENGLER, Chief Clerk

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## AN ACT

To repeal section 537.610, RSMo, and to enact in lieu thereof one new section relating to limitations on awards for certain liability claims.

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*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Section 537.610, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 537.610, to read as follows:

537.610. 1. The commissioner of administration, through the purchasing division, and the governing body of each political subdivision of this state, notwithstanding any other provision of law, may purchase liability insurance for tort claims, made against the state or the political subdivision, but the maximum amount of such coverage shall not exceed two million dollars for all claims arising out of a single occurrence and shall not exceed three hundred thousand dollars for any one person in a single accident or occurrence, except for those claims governed by the provisions of the Missouri workers' compensation law, chapter 287, and no amount in excess of the above limits shall be awarded or settled upon. Sovereign immunity for the state of Missouri and its political subdivisions is waived only to the maximum amount of and only for the purposes covered by such policy of insurance purchased pursuant to the provisions of this section and in such amount and for such purposes provided in any self-insurance plan duly adopted by the governing body of any political subdivision of the state. **For purposes of this section, the term "purchase" refers only to the direct acquisition by a governing body of a political subdivision of this state of insurance coverage from an insurance company or other business entity and does not include any indirect action by contract or otherwise including, but not limited to, requiring additional insured coverage or insured status under the insurance policy of another person or entity.**

EXPLANATION — Matter enclosed in bold-faced brackets ~~thus~~ in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

18           2. The liability of the state and its public entities on claims within the scope of  
19 sections 537.600 to 537.650, shall not exceed two million dollars for all claims arising out of  
20 a single accident or occurrence and shall not exceed three hundred thousand dollars for any  
21 one person in a single accident or occurrence, except for those claims governed by the  
22 provisions of the Missouri workers' compensation law, chapter 287.

23           3. No award for damages on any claim against a public entity within the scope of  
24 sections 537.600 to 537.650, shall include punitive or exemplary damages.

25           4. If the amount awarded to or settled upon multiple claimants exceeds two million  
26 dollars, any party may apply to any circuit court to apportion to each claimant his proper  
27 share of the total amount limited by subsection 1 of this section. The share apportioned each  
28 claimant shall be in the proportion that the ratio of the award or settlement made to him bears  
29 to the aggregate awards and settlements for all claims arising out of the accident or  
30 occurrence, but the share shall not exceed three hundred thousand dollars.

31           5. The limitation on awards for liability provided for in this section shall be increased  
32 or decreased on an annual basis effective January first of each year in accordance with the  
33 Implicit Price Deflator for Personal Consumption Expenditures as published by the Bureau of  
34 Economic Analysis of the United States Department of Commerce. The current value of the  
35 limitation shall be calculated by the director of the department of commerce and insurance,  
36 who shall furnish that value to the secretary of state, who shall publish such value in the  
37 Missouri Register as soon after each January first as practicable, but it shall otherwise be  
38 exempt from the provisions of section 536.021. **The applicable limitation on awards for**  
39 **liability provided for under this section as to a given claim shall be the limitation then in**  
40 **effect on the date of the accident or occurrence giving rise to the claim.**

41           6. Any claim filed against any public entity under this section shall be subject to the  
42 penalties provided by supreme court rule 55.03, or any successor rule.

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