
By: Delegate Vallario

Introduced and read first time: January 31, 1996

Assigned to: Judiciary

A BILL ENTITLED

1 AN ACT concerning

2 **Local Government Tort Claims Act - Limitations on Liability - Interest on Judgment Not**
3 **Included**

4 FOR the purpose of specifying that certain monetary limits on the liability of a local
5 government in claims for damages resulting from tortious acts or omissions do not
6 include interest accrued on judgments; providing for the application of this Act; and
7 generally relating to the limitations on liability in claims against a local government.

8 BY repealing and reenacting, with amendments,
9 Article - Courts and Judicial Proceedings
10 Section 5-403
11 Annotated Code of Maryland
12 (1995 Replacement Volume and 1995 Supplement)

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
14 MARYLAND, That the Laws of Maryland read as follows:

15 **Article - Courts and Judicial Proceedings**

16 5-403.

17 (a) (1) [The] SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE
18 liability of a local government may not exceed \$200,000 per an individual claim, and
19 \$500,000 per total claims that arise from the same occurrence for damages resulting from
20 tortious acts or omissions, including liability arising under subsection (b) of this section
21 and indemnification under subsection (c) of this section.

22 (2) THE LIMITS ON LIABILITY PROVIDED UNDER PARAGRAPH (1) OF
23 THIS SUBSECTION DO NOT INCLUDE INTEREST ACCRUED ON A JUDGMENT.

24 (b) (1) Except as provided in subsection (c) of this section, a local government
25 shall be liable for any judgment against its employee for damages resulting from tortious
26 acts or omissions committed by the employee within the scope of employment with the
27 local government.

28 (2) A local government may not assert governmental or sovereign immunity
29 to avoid the duty to defend or indemnify an employee established in this subsection.

30 (c) (1) A local government may not be liable for punitive damages.

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1 (2) (i) Subject to subsection (a) of this section and except as provided in
2 subparagraph (ii) of this paragraph, a local government may indemnify an employee for a
3 judgment for punitive damages entered against the employee.

4 (ii) A local government may not indemnify a law enforcement officer
5 for a judgment for punitive damages if the law enforcement officer has been found guilty
6 under Article 27, § 731 of the Code as a result of the act or omission giving rise to the
7 judgment.

8 (3) A local government may not enter into an agreement that requires
9 indemnification for an act or omission of an employee that may result in liability for
10 punitive damages.

11 (d) Notwithstanding the provisions of subsection (b) of this section, this subtitle
12 does not waive any common law or statutory defense or immunity in existence as of June
13 30, 1987, and possessed by an employee of a local government.

14 (e) A local government may assert on its own behalf any common law or statutory
15 defense or immunity in existence as of June 30, 1987, and possessed by its employee for
16 whose tortious act or omission the claim against the local government is premised and a
17 local government may only be held liable to the extent that a judgment could have been
18 rendered against such an employee under this subtitle.

19 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be
20 construed only prospectively and may not be applied or interpreted to have any effect on
21 or application to any final judgment entered before the effective date of this Act.

22 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
23 October 1, 1996.