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By: **Delegates K. Kelly and Vallario**  
Introduced and read first time: February 10, 1999  
Assigned to: Judiciary

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Committee Report: Favorable  
House action: Adopted  
Read second time: February 23, 1999

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Local Government Tort Claims Act - Interest on Judgment**

3 FOR the purpose of providing that certain monetary limits on the liability of a local  
4 government for a judgment resulting from certain tortious acts or omissions do  
5 not include interest accrued on the judgment; providing for the application of  
6 this Act; and generally relating to the limits on liability of a local government for  
7 a judgment resulting from certain tortious acts or omissions under the Local  
8 Government Tort Claims Act.

9 BY repealing and reenacting, with amendments,  
10 Article - Courts and Judicial Proceedings  
11 Section 5-303  
12 Annotated Code of Maryland  
13 (1998 Replacement Volume)

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

16 **Article - Courts and Judicial Proceedings**

17 5-303.

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

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

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

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

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

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

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

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

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

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

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

32     SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
33 October 1, 1999.

