

# House Bill 3289

Sponsored by COMMITTEE ON JUDICIARY (at the request of Oregon Liability Reform Coalition)

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Limits awards of punitive damages to amount equal to three times economic damages and non-economic damages awarded to plaintiff. Applies only to causes of action arising on or after effective date of Act.

Declares emergency, effective on passage.

## A BILL FOR AN ACT

1  
2 Relating to punitive damages; creating new provisions; amending ORS 31.730; and declaring an  
3 emergency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 31.730 is amended to read:

6 31.730. (1) Punitive damages are not recoverable in a civil action unless it is proven by clear  
7 and convincing evidence that the party against whom punitive damages are sought has acted with  
8 malice or has shown a reckless and outrageous indifference to a highly unreasonable risk of harm  
9 and has acted with a conscious indifference to the health, safety and welfare of others.

10 (2) If an award of punitive damages is made by a jury, the court shall review the award to de-  
11 termine whether the award is within the range of damages that a rational juror would be entitled  
12 to award based on the record as a whole, viewing the statutory and common-law factors that allow  
13 an award of punitive damages for the specific type of claim at issue in the proceeding. **In any  
14 action seeking damages for personal injury, death or property damage, punitive damages may  
15 not exceed an amount equal to three times the economic damages and noneconomic dam-  
16 ages, as those terms are defined in ORS 31.710, awarded to the plaintiff.**

17 (3) In addition to any reduction that may be made under subsection (2) of this section, upon the  
18 motion of a defendant the court may reduce the amount of any judgment requiring the payment of  
19 punitive damages entered against the defendant if the defendant establishes that the defendant has  
20 taken remedial measures that are reasonable under the circumstances to prevent reoccurrence of  
21 the conduct that gave rise to the claim for punitive damages. In reducing awards of punitive dam-  
22 ages under the provisions of this subsection, the court shall consider the amount of any previous  
23 judgment for punitive damages entered against the same defendant for the same conduct giving rise  
24 to a claim for punitive damages.

25 **SECTION 2.** The amendments to ORS 31.730 by section 1 of this 2011 Act apply only to  
26 causes of action arising on or after the effective date of this 2011 Act.

27 **SECTION 3.** This 2011 Act being necessary for the immediate preservation of the public  
28 peace, health and safety, an emergency is declared to exist, and this 2011 Act takes effect  
29 on its passage.  
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**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.