### A BILL FOR AN ACT

RELATING TO JOINT AND SEVERAL LIABILITY.

#### BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

- 1 SECTION 1. The legislature believes that the present
- 2 system of joint and several liability is unfair and inequitable
- 3 in that a person with only one per cent of fault can become
- 4 liable for one hundred per cent of the damages. Even if the
- 5 plaintiff was partially to blame, a person with only one per
- 6 cent of fault could have to pay nearly all of the damages.
- 7 Joint and several liability has led to a search for "deep
- 8 pockets," or governments, large companies, and other insured
- 9 persons and entities, who must bear the greatest burdens of
- 10 liability even if their involvement is minimal.
- 11 The legislature finds that the fairest solution is to
- 12 abolish joint and several liability. This Act clarifies that
- 13 each joint tortfeasor may be held liable for no more than that
- 14 percentage share of the damages attributable to that joint
- 15 tortfeasor.
- 16 SECTION 2. Section 663-10.5, Hawaii Revised Statutes, is
- 17 amended to read as follows:



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1
         "§663-10.5 Government entity as a tortfeasor[; abolition
2
    of joint and several liability]. [Any other law to the contrary
3
    notwithstanding, including but not limited to sections 663-10.9,
    663-11 to 663-13, 663-16, 663-17, and 663-31, in any case where
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5
    a government entity is determined to be a tortfeasor along with
6
    one or more other tortfeasors, the government entity shall be
7
    liable for no more than that percentage share of the damages
8
    attributable to the government entity; provided that joint and
9
    several liability shall be retained for tort claims relating to
10
    the maintenance and design of highways pursuant to section 663-
11
    <del>10.9.</del>1
12
         For purposes of this section, "government entity" means any
13
    unit of government in this State, including the State and any
14
    county or combination of counties, department, agency,
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    institution, board, commission, district, council, bureau,
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    office, governing authority, or other instrumentality of state
17
    or county government, or corporation or other establishment
18
    owned, operated, or managed by or on behalf of this State or any
19
    county.
20
         For purposes of this section, the liability of a government
21
    entity shall include its vicarious liability for the acts or
22
    omissions of its officers and employees."
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## S.B. NO. 267

| 1  | SECT                            | ION 3. Section 663-10.9, Hawaii Revised Statutes, is                            |  |
|----|---------------------------------|---|--|
| 2  | amended t                       | o read as follows:  |  |
| 3  | "§66                            | 3-10.9 Abolition of joint and several liability;                                |  |
| 4  | exception                       | s. (a) Joint and several liability for joint                                    |  |
| 5  | tortfeaso                       | rs [ <del>as defined in section 663-11</del> ] is abolished [ <del>except</del> |  |
| 6  | in the following circumstances: |   |  |
| 7  | (1)                             | For the recovery of economic damages against joint                              |  |
| 8  |                                 | tortfeasors in actions involving injury or death to                             |  |
| 9  |                                 | persons;  |  |
| 10 | (2)                             | For the recovery of economic and noneconomic damages                            |  |
| 11 |                                 | against joint tortfeasors in actions involving:                                 |  |
| 12 |                                 | (A) Intentional torts;  |  |
| 13 |                                 | (B) Torts relating to environmental pollution;                                  |  |
| 14 |                                 | (C) Toxic and asbestos-related torts;   |  |
| 15 |                                 | (D) Torts relating to aircraft accidents;                                       |  |
| 16 |                                 | (E) Strict and products liability torts; or                                     |  |
| 17 |                                 | (F) Torts relating to motor vehicle accidents except                            |  |
| 18 |                                 | as provided in paragraph (4);   |  |
| 19 | <del>(3)</del>                  | For the recovery of noneconomic damages in actions,                             |  |
| 20 |                                 | other than those enumerated in paragraph (2),                                   |  |
| 21 |                                 | involving injury or death to persons against those                              |  |
| 22 |                                 | tortfeasors whose individual degree of negligence is                            |  |



| 1  |     | tound to be twenty-five per cent or more under section |
|----|-----|--|
| 2  |     | 663-31. Where a tortfeasor's degree of negligence is   |
| 3  |     | less than twenty-five per cent, then the amount        |
| 4  |     | recoverable against that tortfeasor for noneconomic    |
| 5  |     | damages shall be in direct proportion to the degree of |
| 6  |     | negligence assigned; and                               |
| 7  | (4) | For recovery of noneconomic damages in motor vehicle   |
| 8  |     | accidents involving tort actions relating to the       |
| 9  |     | maintenance and design of highways including actions   |
| 10 |     | involving guardrails, utility poles, street and        |
| 11 |     | directional signs, and any other highway-related       |
| 12 |     | device upon a showing that the affected joint          |
| 13 |     | tortfeasor-was given reasonable prior notice of a      |
| 14 |     | prior occurrence under similar circumstances to the    |
| 15 |     | occurrence upon which the tort claim is based. In      |
| 16 |     | actions in which the affected joint tortfeasor has not |
| 17 |     | been shown to have had such reasonable prior notice,   |
| 18 |     | the recovery of noneconomic damages shall be as        |
| 19 |     | provided in paragraph (3).                             |
| 20 | (5) | Provided, however, that joint and several liability    |
| 21 |     | for economic and noneconomic damages for claims        |
| 22 |     | against design professionals, as defined in chapter    |



# S.B. NO. **267**

| 1  |  | 672, and certified public accountants, as defined in    |  |
|----|--|---|--|
| 2  |  | chapter 466, is abolished in actions not involving      |  |
| 3  |  | physical injury or death to persons].                   |  |
| 4  | (b)  | Each party shall be liable for:                         |  |
| 5  | (1)  | That party's share of any damages only, and not for the |  |
| 6  |  | share of any other person; and                          |  |
| 7  | (2)  | The amount of damages allocated to that party in direct |  |
| 8  |  | proportion to the party's percentage of responsibility. |  |
| 9  | (c)  | A separate judgment shall be rendered against each      |  |
| 10 | party for  | the amount allocated to that party. For the purposes    |  |
| 11 | of this section, the trier of fact shall determine the |   |  |
| 12 | proportion   | of responsibility of each party for the claimant's      |  |
| 13 | harm."   |   |  |
| 14 | SECTI  | ION 4. Section 663-11, Hawaii Revised Statutes, is      |  |
| 15 | amended to read as follows:                            |   |  |
| 16 | "663-  | -11 Joint tortfeasors defined. For the purpose of       |  |
| 17 | this part <u>,</u>                                     | the term "joint tortfeasors" means two or more          |  |
| 18 | persons [ <del>j</del>                                 | jointly or severally] who are liable in tort for the    |  |
| 19 | same injur   | ry to person or property, whether or not judgment has   |  |
| 20 | heen recor   | vered against all or some of them "                     |  |

SB SMO 13-030

- 1 SECTION 5. This Act does not affect rights and duties that
- 2 matured, penalties that were incurred, and proceedings that were
- 3 begun, before its effective date.
- 4 SECTION 6. Statutory material to be repealed is bracketed
- 5 and stricken. New statutory material is underscored.
- 6 SECTION 7. This Act shall take effect upon its approval.

7

INTRODUCED (BY:

# S.B. NO. 267

### Report Title:

Torts; Joint and Several Liability

### Description:

Makes a tortfeasor liable for no more than the percentage of share of damages attributable to that individual or entity. Removes exceptions from law, thus abolishing joint and several liability.

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