

1 H.138

2 Introduced by Representatives LaLonde of South Burlington and Goodnow of
3 Brattleboro

4 Referred to Committee on

5 Date:

6 Subject: Court procedure; municipal and county government; tort claims

7 against the State or municipalities; actions by or against municipal

8 officers; maximum liability of a municipality

9 Statement of purpose of bill as introduced: This bill proposes to establish the
10 maximum liability for actions against a municipality as \$500,000.00 to any one
11 person and \$2,000,000.00 of maximum aggregate liability to all persons arising
12 out of each occurrence.

13 An act relating to maximum liability of municipalities for tort claims

14 It is hereby enacted by the General Assembly of the State of Vermont:

15 Sec. 1. 12 V.S.A. chapter 189 is amended to read:

16 CHAPTER 189. TORT CLAIMS AGAINST THE STATE OR A

17 MUNICIPALITY

18 § 5601. LIABILITY OF STATE OR A MUNICIPALITY

19 (a) The State of Vermont ~~or a municipality~~ or a municipality shall be liable for injury to

20 persons or property or loss of life caused by the negligent or wrongful act or

1 omission of an employee of the State or a municipality while acting within the
2 scope of employment, under the same circumstances, in the same manner, and
3 to the same extent as a private person would be liable to the claimant except
4 that the claimant shall not have the right to levy execution on any property of
5 the State to satisfy any judgment. The Superior Courts of the State shall have
6 exclusive jurisdiction of any actions brought ~~hereunder~~ under this chapter.

7 (b) ~~Effective July 1, 2011, the~~ The maximum liability of the State or a
8 municipality under this section shall be \$500,000.00 to any one person and the
9 maximum aggregate liability shall be \$2,000,000.00 to all persons arising out
10 of each occurrence.

11 (c) If the claimant is not a resident of the State of Vermont, the claimant
12 may bring suit in any Superior Court. The agent for the service of process on
13 the State shall be the Attorney General or the Attorney General's duly
14 authorized representative.

15 (d) This chapter does not allow any insurance carrier to bring action or
16 recover against the State or a municipality for any payments made as a result
17 of any private insurance contract between the carrier and a State or municipal
18 employee.

19 (e) This section shall not apply to:

20 (1) Any claim based upon an act or omission of an employee of the
21 State or a municipality exercising due care, in the execution of a statute or

1 regulation, whether or not ~~such~~ the statute or regulation is valid, or based upon
2 the exercise or performance or failure to exercise or perform a discretionary
3 function or duty on the part of a State agency or municipality or an employee
4 of the State or a municipality, whether or not the discretion involved is abused.

5 * * *

6 (3) Any claim for damages caused by the impositions of a quarantine by
7 the State or municipality.

8 (4) Any claim for damages caused by the fiscal operations of any State
9 or municipal officer or department.

10 * * *

11 (f) The limitations in subsection (e) of this section do not apply to claims
12 against the State of Vermont or a municipality to the extent that there exists
13 coverage under a policy of liability insurance purchased by the Secretary of
14 Administration or municipality.

15 * * *

16 § 5602. EXCLUSIVE RIGHT OF ACTION

17 * * *

18 (c) As used in this chapter, “employee” means ~~any person a~~ “State
19 employee” as defined as a State employee by in 3 V.S.A. § 1101 or a
20 “municipal employee” as defined in 24 V.S.A. § 901a.

21 * * *

1 § 902. PENALTY

2 Unless otherwise provided, a ~~town~~ municipal officer who fails or neglects
3 to perform a duty imposed upon ~~him or her~~ the officer by law shall be fined not
4 more than \$100.00.

5 § 903. NONLIABILITY OF MUNICIPAL OFFICERS FOR MONEY PAID

6 OUT

7 An action shall not be maintained against a person for money paid out by
8 ~~him or her~~ the person as an officer of a ~~municipal corporation~~ municipality in
9 accordance with a vote of ~~such corporation~~ the municipality, whether such vote
10 was valid or not.

11 Sec. 3. EFFECTIVE DATE

12 This act shall take effect on July 1, 2025.