

LEGISLATURE OF NEBRASKA
ONE HUNDRED EIGHTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 25

Introduced by Wayne, 13.

Read first time January 05, 2023

Committee: Judiciary

- 1 A BILL FOR AN ACT relating to courts; to state findings; to define terms;
- 2 and to authorize punitive damages as prescribed.
- 3 Be it enacted by the people of the State of Nebraska,

1 Section 1. The Legislature finds and declares that:

2 (1) Article VII, section 5, of the Constitution of Nebraska provides
3 in part that all fines, penalties, and license money arising under the
4 general laws of the state shall belong and be paid over to the counties
5 respectively where the same may be levied or imposed;

6 (2) Article VII, section 5, of the Constitution further provides
7 that all such fines, penalties, and license money shall be appropriated
8 exclusively to the use and support of the common schools in the
9 respective subdivisions where the same may accrue;

10 (3) Punitive damages are in the nature of fines or penalties;

11 (4) Punitive damages are awarded both to punish the defendant and to
12 deter the defendant and others from similar conduct. Punitive damages are
13 appropriate in many situations where compensatory damages would be
14 inadequate because the defendant acted in a truly egregious fashion; and

15 (5) Additional funds available for the public schools could be used
16 to provide property tax relief.

17 Sec. 2. For the purposes of sections 1 to 7 of this act:

18 (1) Compensatory damages means damages intended to make whole the
19 loss of an injured party and no more. The term includes general and
20 special damages and does not include nominal, exemplary, or punitive
21 damages;

22 (2) Nominal damages are damages that are not designed to compensate
23 an injured party and are less than one thousand dollars; and

24 (3) Punitive damages means damages that a party in a civil action
25 are ordered to pay (a) based on aggravating circumstances, (b) to
26 penalize such party, or (c) to provide additional deterrence and
27 discourage similar conduct in the future. The term does not include
28 compensatory damages or nominal damages.

29 Sec. 3. In any civil action, a court may award punitive damages
30 against a party when such party has displayed actual intent to cause harm
31 or causes an injury through action taken in reckless disregard for the

1 lives or safety of others. Punitive damages may be awarded to punish such
2 party and provide retribution, to act as a deterrent to such party and
3 others inclined to behave in a similar manner, and to demonstrate the
4 court's disapproval of such conduct.

5 Sec. 4. (1) An award of punitive damages must be specifically
6 prayed for in the pleading.

7 (2) Upon an award of punitive damages, the court shall notify the
8 county attorney. The county attorney may become a party solely to protect
9 the interests of the common schools in such damages.

10 Sec. 5. Whether to award punitive damages, and the amount of such
11 damages, shall be determined by the trier of fact unless waived by all
12 parties.

13 Sec. 6. Any award of punitive damages shall be remitted to the
14 State Treasurer for distribution in accordance with Article VII, section
15 5, of the Constitution of Nebraska.

16 Sec. 7. The provisions of sections 1 to 6 of this act are
17 cumulative with and supplemental to any other laws of this state which
18 authorize punitive damages.