

SENATE CS FOR CS FOR HOUSE BILL NO. 214(JUD)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-THIRD LEGISLATURE - FIRST SESSION

BY THE SENATE JUDICIARY COMMITTEE

Offered: 5/13/03

Referred: Rules

Sponsor(s): REPRESENTATIVES SAMUELS, Holm, Rokeberg, Meyer, McGuire, Hawker, Dahlstrom, Heinze, Lynn

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to the recovery of punitive damages against an employer who is**
2 **determined to be vicariously liable for the act or omission of an employee; and providing**
3 **for an effective date."**

4 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 *** Section 1.** AS 09.17.020 is amended by adding a new subsection to read:

6 (k) In a civil action in which an employer is determined to be vicariously
7 liable for the act or omission of an employee, punitive damages may not be awarded
8 against the employer under principles of vicarious liability unless (1) the employer or
9 the employer's managerial agent (A) authorized the act or omission and the manner in
10 which the act was performed or omission occurred; or (B) ratified or approved the act
11 or omission after the act or omission occurred; or (2) the employee (A) was unfit to
12 perform the act or avoid the omission and the employer or the employer's managerial
13 agent acted recklessly in employing or retaining the employee; or (B) was employed in
14 a managerial capacity and was acting within the scope of employment; in this

1 subsection, "managerial agent" means a management level employee with the stature
2 and authority to exercise control, discretion, and independent judgment over a certain
3 area of the employer's business and with some power to set policy for the employer.

4 * **Sec. 2.** The uncodified law of the State of Alaska is amended by adding a new section to
5 read:

6 APPLICABILITY. This Act applies to a cause of action that accrues on or after the
7 effective date of this Act.

8 * **Sec. 3.** This Act takes effect July 1, 2003.