

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
(317) 232-9855

**FISCAL IMPACT STATEMENT**

**LS 7245**  
**BILL NUMBER: SB 377**

**DATE PREPARED:** Feb 19, 1999  
**BILL AMENDED:** Feb 18, 1999

**SUBJECT:** Port Commission.

**FISCAL ANALYST:** Susan Preble  
**PHONE NUMBER:** 232-9867

**FUNDS AFFECTED:**  **GENERAL**  
**DEDICATED**  
**FEDERAL**

**IMPACT:** State

**Summary of Legislation:** (Amended) This bill provides that the Indiana Port Commission is a governmental entity subject to the Indiana Tort Claims Act. It provides that a tenant, lessee, licensee, or other person has no claim in state property in a state port or port project unless the Port Commission enters a written agreement specifying the conditions for the interest and a legal description of the property.

**Effective Date:** July 1, 1999.

**Explanation of State Expenditures:** Passage of this bill potentially decreases the number of lawsuits filed against the State of Indiana because it confers immunity under the Indiana Tort Claims Act to the Indiana Port Commission. However, the bill also allows the Port Commission to go beyond the limitations provided by the Tort Claims Act when negotiating contracts with new tenants, lessee, licensee, or other persons. One of the provisions of the Act that could be negotiated is the limitation on damage awards. This could result in higher damages if a tenant, lessee, licensee or other persons successfully sues the Port Commission.

If the Port Commission chooses not to contract away the limitations on damages, this bill could prevent parties from recovering damages in a tort action which could decrease the damage awards that the State would have to pay in an unsuccessful tort claim action.

The Office of the Attorney General reports the amount of damages paid as a result of tort claims submitted and tort claim lawsuits filed against the State and by plaintiffs in tort and civil rights litigation between CY 1992 and CY 1997 as follows:

<u>CY</u>	<u>Damages Paid</u>
1997	\$3,438,230
1996	\$5,742,977
1995	\$6,362,071
1994	\$8,060,838
1993	\$4,048,126
1992	\$3,456,495

The amount paid includes tort claims paid at the time of claim submission, settlements upon the filing of lawsuits, and as a result of a court order. It also includes cases in both federal and state court.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Office of the Attorney General; Indiana Port Commission

**Local Agencies Affected:**

**Information Sources:** Barbara Crawford (232-6217), Office of the Attorney General; IC 34-13-3.