



March 25, 2015

ENGROSSED HOUSE BILL No. 1413

DIGEST OF HB 1413 (Updated March 23, 2015 11:59 am - DI 106)

Citations Affected: IC 8-21.

Synopsis: Aircraft financial responsibility and liability. Increases the amount of financial responsibility required for the ownership, maintenance, or use of an aircraft to: (1) \$100,000 for the bodily injury or death of one person; (2) \$200,000 for the bodily injury or death of two or more persons in any one accident; and (3) \$100,000 for damage to property in any one accident. Provides that the owner of an aircraft who is not the pilot is not vicariously liable for damages unless: (1) the owner engages in negligent, reckless, knowing, intentional, or unlawful conduct that is the proximate cause of the damages; (2) an agency relationship exists between the owner and the person who proximately caused the damages; or (3) the owner's liability is based on the doctrine of respondeat superior. Specifies that certain provisions relating to the ownership of an aircraft are not intended to modify Indiana law on bailments or bailor liability.

Effective: July 1, 2015.

Speedy

(SENATE SPONSORS — FORD, ARNOLD J)

January 14, 2015, read first time and referred to Committee on Roads and Transportation.
February 19, 2015, reported — Do Pass.
February 23, 2015, read second time, ordered engrossed. Engrossed.
February 24, 2015, read third time, passed. Yeas 93, nays 2.

SENATE ACTION

March 2, 2015, read first time and referred to Committee on Civil Law.
March 24, 2015, amended, reported favorably — Do Pass.

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March 25, 2015

First Regular Session of the 119th General Assembly (2015)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

ENGROSSED HOUSE BILL No. 1413

A BILL FOR AN ACT to amend the Indiana Code concerning civil law and procedure.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 8-21-3-1 IS AMENDED TO READ AS FOLLOWS
2 [EFFECTIVE JULY 1, 2015]: Sec. 1. The following words and phrases
3 when used in this chapter shall, for the purpose of this chapter, unless
4 a different meaning appears from the context, have the following
5 meanings:
6 (1) The singular shall include the plural; the masculine shall
7 include the feminine and neuter, as requisite.
8 (2) "Aircraft" means any contrivance now known, or hereafter
9 invented, used or designed for navigation of or flight in the air.
10 (3) "Aircraft accident" means any mishap involving an aircraft
11 resulting in injury or damage to such aircraft or to any person,
12 property, or thing.
13 (4) "Department" refers to the Indiana department of
14 transportation; and "state" or "this state" means the state of
15 Indiana.

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- 1 (5) "Guest" means any person who rides in an aircraft for which
 2 no charge is made for such ride or flight.
- 3 (6) "Insured" means the person in whose name there is issued an
 4 aircraft liability policy (as defined in section 12 of this chapter)
 5 and any other person insured under the terms of such policy.
- 6 (7) "Judgment" means any judgment, except a judgment rendered
 7 against this state or any political subdivision thereof or any
 8 municipality therein, which shall have become final by expiration
 9 without appeal of the time within which appeal might have been
 10 perfected, or by final affirmation on appeal, rendered by a court
 11 of competent jurisdiction of any state or of the United States.
- 12 (8) "Operation of aircraft" or "operate aircraft" means the use of
 13 aircraft for the purpose of air navigation, and includes the
 14 navigation or piloting of aircraft. Any person who causes or
 15 authorizes the operation of aircraft, whether with or without the
 16 right of legal control (in the capacity of owner, lessee, or
 17 otherwise) of the aircraft, **including an aircraft otherwise**
 18 **considered inventory, if it is operated in flight**, shall be deemed
 19 to be engaged in the operation of aircraft within the meaning of
 20 the statutes of this state.
- 21 (9) "Operator" means any person who is in actual physical control
 22 of an aircraft.
- 23 (10) "Owner" means any person in whose name the aircraft is
 24 certificated, licensed, or registered by appropriate federal or state
 25 authority.
- 26 (11) "Passenger" means any person in, on or boarding an aircraft
 27 for the purpose of riding therein, or alighting therefrom, following
 28 a flight or attempted flight therein.
- 29 (12) "Person" means any individual, firm, partnership,
 30 corporation, company, limited liability company, association, joint
 31 stock association, or body politic; and includes any trustee,
 32 receiver, assignee, or other similar representative thereof.
- 33 (13) "Policy" or "insurance policy" means an aircraft liability
 34 policy conforming to section 12 of this chapter.
- 35 **(14) "Proof of financial responsibility" has the meaning set**
 36 **forth in section 8 of this chapter.**
- 37 SECTION 2. IC 8-21-3-8 IS AMENDED TO READ AS FOLLOWS
 38 [EFFECTIVE JULY 1, 2015]: Sec. 8. **For purposes of this article,**
 39 **Proof "proof of financial responsibility" shall mean proof of ability to**
 40 **respond in damages for liability thereafter incurred, arising out of the**
 41 **ownership, maintenance or use of an aircraft, in the amount of ten**
 42 **thousand dollars (\$10,000) because of bodily injury to or death of any**



1 one (1) person; and, subject to said limit respecting one (1) person; in
 2 the amount of twenty thousand dollars (\$20,000) because of bodily
 3 injury or death of two (2) or more persons in any one (1) accident; and
 4 in the amount of twenty thousand dollars (\$20,000) because of injury
 5 to or destruction of property in any one (1) accident. Such proof in such
 6 amounts shall be furnished for each aircraft owned by such person and
 7 operated in this state. **means proof of the ability to satisfy a claim for**
 8 **damages arising from liability for the ownership, maintenance, or**
 9 **use of an aircraft, in the following amounts:**

10 (1) **One hundred thousand dollars (\$100,000) for the bodily**
 11 **injury or death of one (1) person.**

12 (2) **Two hundred thousand dollars (\$200,000) for the bodily**
 13 **injury or death of two (2) or more persons in any one (1)**
 14 **accident.**

15 (3) **One hundred thousand dollars (\$100,000) for damage to**
 16 **property in any one (1) accident.**

17 SECTION 3. IC 8-21-4-1 IS AMENDED TO READ AS FOLLOWS
 18 [EFFECTIVE JULY 1, 2015]: Sec. 1. In this chapter:

19 "Aircraft" includes balloon, airplane, hydroplane, and every other
 20 vehicle used for navigation through the air. A hydroplane, while at rest
 21 on water and while being operated on or immediately above water,
 22 shall be governed by the rules regarding water navigation. While being
 23 operated through the air otherwise than immediately above water, it
 24 shall be treated as an aircraft.

25 "Aeronaut" includes aviator, pilot, balloonist, and every other
 26 person having any part in the operation of aircraft while in flight.

27 "Passenger" includes any person riding in an aircraft but having no
 28 part in its operation.

29 **"Pilot" means the person who has final authority and**
 30 **responsibility for the operation and safety of an aircraft in flight.**

31 SECTION 4. IC 8-21-4-6 IS AMENDED TO READ AS FOLLOWS
 32 [EFFECTIVE JULY 1, 2015]: Sec. 6. (a) All offenses, torts, and other
 33 wrongs committed by or against an aeronaut or passenger while in
 34 flight over Indiana shall be governed by Indiana laws; and the question
 35 whether damage occasioned by or to an aircraft while in flight over
 36 Indiana constitutes an offense, tort, or other wrong by or against the
 37 owner of the aircraft shall be determined by Indiana laws.

38 (b) **This article does not impose vicarious liability for damages**
 39 **on an owner of an aircraft who is not the pilot unless:**

40 (1) **the owner engages in negligent, reckless, knowing,**
 41 **intentional, or unlawful conduct that is the proximate cause**
 42 **of the damages;**



- 1 **(2) an agency relationship exists between the owner and the**
- 2 **person who proximately caused the damages; or**
- 3 **(3) the owner's liability is based on the doctrine of respondeat**
- 4 **superior.**
- 5 **(c) This article is not intended to modify or amend Indiana law**
- 6 **with respect to:**
- 7 **(1) bailments; or**
- 8 **(2) bailor liability.**



COMMITTEE REPORT

Mr. Speaker: Your Committee on Roads and Transportation, to which was referred House Bill 1413, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

(Reference is to HB 1413 as introduced.)

SOLIDAY

Committee Vote: Yeas 8, Nays 0

COMMITTEE REPORT

Madam President: The Senate Committee on Civil Law, to which was referred House Bill No. 1413, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 2, line 17, after "aircraft," insert "**including an aircraft otherwise considered inventory, if it is operated in flight,**".

and when so amended that said bill do pass.

(Reference is to HB 1413 as printed February 20, 2015.)

ZAKAS, Chairperson

Committee Vote: Yeas 7, Nays 0.

