

**CHAPTER 205****(SB 316)**

AN ACT relating to supersedeas bonds and declaring an emergency.

*Be it enacted by the General Assembly of the Commonwealth of Kentucky:*

SECTION 1. A NEW SECTION OF KRS CHAPTER 411 IS CREATED TO READ AS FOLLOWS:

- (1) *If the appellee in a civil action obtains a judgment for punitive or exemplary damages and the appellant seeks a stay of enforcement of the judgment in order to obtain review by an appellate court, the supersedeas bond for the punitive damages portion of the judgment on appeal shall not exceed one hundred million dollars (\$100,000,000).*
- (2) *If the appellee proves by a preponderance of the evidence that a party bringing an appeal, for whom the supersedeas bond requirement has been limited, is purposefully dissipating or diverting assets outside of the ordinary course of its business for the purpose of avoiding ultimate payment of the punitive damages judgment, the limitation granted under subsection (1) of this section shall be rescinded and the bond requirement shall be reinstated for the full amount of the judgment.* Section 2. KRS 426.965 is amended to read as follows:

- (1) If the judgment debtor shows the court that an appeal from the foreign judgment is pending or will be taken, or that a stay of execution has been granted, the court shall stay enforcement of the foreign judgment until the appeal is concluded, the time for appeal expires, or the stay of execution expires or is vacated, upon proof that the judgment debtor has furnished the security for the satisfaction of the judgment required by the state in which it was rendered.
- (2) If the judgment debtor shows the court any ground upon which enforcement of a judgment of any court of this state would be stayed, *including the ground that an appeal from the foreign judgment is pending or will be taken, or that the time for taking such an appeal has not yet expired*, the court shall stay enforcement of the foreign judgment for an appropriate period *until all available appeals are concluded or the time for taking all appeals has expired*, upon requiring the same security for satisfaction of the judgment which is required in this state, *subject to Section 1 of this Act.*

Section 3. The provisions of Sections 1 and 2 of this Act are hereby expressly declared to be retroactive and may be applied to all civil actions, including those on appeal, presently docketed in the courts of this Commonwealth.

Section 4. Whereas the business environment of the state is under an unreasonable burden and the protection of the economy of this state is a matter directly related to the well-being of the citizens of the Commonwealth, an emergency is declared to exist, and this Act takes effect upon its passage and approval by the Governor or upon its otherwise becoming a law. **Approved March 29, 2000**

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