

HOUSE BILL NO. 342

INTRODUCED BY C. SMITH

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A BILL FOR AN ACT ENTITLED: "AN ACT REVISING APPEAL BONDS IN CIVIL CASES; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. **Section 1. Appeal bonds in civil actions.** (1) Except as provided in subsection (2), in order to ensure that financial considerations do not adversely impact the right of appeal, in civil litigation under any legal theory the supersedeas bond to be furnished in order to stay the execution of the judgment during the entire course of appellate review, including review by the United States supreme court, may not exceed the following amounts, regardless of the amount of the judgment:

- (a) \$1 million in any action in which all appellants are either individuals or are businesses with 100 or fewer full-time employees; or
- (b) \$50 million in any other action.

(2) If an appellee proves by a preponderance of the evidence that an appellant is dissipating assets outside the ordinary course of business to avoid the payment of a judgment, a court may require the appellant to post a bond in an amount up to the amount of the judgment.

NEW SECTION. **Section 2. Codification instruction.** [Section 1] is intended to be codified as an integral part of Title 25, chapter 12, and the provisions of Title 25, chapter 12, apply to [section 1].

NEW SECTION. **Section 3. Effective date.** [This act] is effective on passage and approval.

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