

IN THE UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION

IN ADMIRALTY

CASE No.8:23-cv-02582-KKM-AEP

IN THE MATTER OF THE COMPLAINT
OF JASON PAYNE AND PENNY PAYNE,
as Owners of a 2008 Meridian 411 Sedan,
“Lucky Penny II,” HIN MDNJ5002D708, for
Exoneration from or Limitation of Liability,

Petitioners.

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REPORT AND RECOMMENDATION

This matter comes before the Court upon Plaintiffs Jason E. Payne and Penny L. Payne’s (“Limitation Plaintiffs”) Motion to Strike Claimant Matthew Gutwill’s (“Claimant”) Demand for Jury Trial (Doc. 25) and Claimant’s Amended Response to same (Doc. 36).

I. Background

This case arises from a fire that occurred aboard a vessel docked at the Pasadena Yacht and Country Club. (Doc. 1, ¶¶ 8-10). Accordingly, Limitation Plaintiffs commenced the instant action in Admiralty pursuant to 46 U.S.C. §§ 30501 *et. seq* and Fed. R. Civ. P. 9(h). (Doc. 1, ¶ 1). On December 24, 2023, Claimant filed his Answer and Claim and demanded a jury trial. (Doc. 20). Limitation Plaintiffs maintain that such a demand is improper as “[t]his case is cognizable only under this Court’s admiralty and maritime law jurisdiction” and “there is no right to a jury trial in admiralty cases.” (Doc. 25 at 3-4). In Response,

Claimant maintains that pursuant to the “Savings to Suitors” clause the issue of limitation should be bifurcated from the issue of damages to preserve Claimant’s right to a jury trial (Doc. 36 at 1).

II. Analysis

As a general matter, there is no right to a jury trial in an admiralty action. *See* F. R. Civ. P. 38(e) (“These rules do not create a right to a jury trial on issues in a claim that is an admiralty or maritime claim under Rule 9(h).”). The Limitation of Liability Act, 46 U.S.C. §§ 30501 *et. seq.*, provides a cause of action whereby a vessel owner facing liability for a maritime accident may file a petition in federal court, and “[p]rovided that the accident in question occurred without the vessel owner’s privity or knowledge,” the owner’s liability is limited “to the value of his or her interest in the vessel and its pending freight.” *Beiswenger Enterprises Corp. v. Carletta*, 86 F.3d 1032, 1036 (11th Cir. 1996). As an exclusive admiralty action, a case brought pursuant to the Limitation of Liability Act proceeds without a jury. *Skanska USA Civ. Se. Inc. v. Bagelheads, Inc.*, 75 F.4th 1290, 1305 (11th Cir. 2023).

Standing in sharp contrast to the Limitation of Liability Act, however, is the Savings to Suitors Clause, 28 U.S.C. § 1333, which falls within the general grant of admiralty jurisdiction to the federal district courts and “sav[es] to suitors in all cases all other remedies to which they are otherwise entitled.” *Id.* Thus, although federal courts have exclusive jurisdiction in admiralty to determine whether limited liability is available to the vessel owner, the Saving to Suitors Clause preserves “a

presumption in favor of jury trials and common law remedies in the forum of the claimant's choice." *Beiswenger Ent. Corp.*, 86 F.3d at 1036-37.

Acknowledging the inherent tension between the Savings to Suitors Clause and the Limitation Act, the Eleventh Circuit has identified three sets of circumstances under which damage claimants must be allowed to try liability and damages issues in a forum of their own choosing: (1) "where the limitation fund exceeds the aggregate amount of all the possible claims against the vessel owner;" (2) "where there is only one claimant;" and (3) where there are multiple claimants, the value of the claims exceed the value of the limitation fund, and all claimants sign protective stipulations. *Id.* at 1037.

The case presented in the instant matter does not meet any of the identified exceptions. Claimant thus cites to a trend among some New York district courts to bifurcate the limitation action from the determination of damages. However, within this Circuit, the Court finds no support for such a proposition.

Accordingly, for the foregoing reasons, it is hereby RECOMMENDED:

1. Limitation Plaintiffs' Motion to Strike Jury Demand (Doc. 25) be GRANTED.

IT IS SO REPORTED in Tampa, Florida, this 7th day of February 2024.



ANTHONY E. PORCELLI
United States Magistrate Judge

NOTICE TO PARTIES

A party has fourteen days from the date they are served a copy of this report to file written objections to this report's proposed findings and recommendations or to seek an extension of the fourteen-day deadline to file written objections. 28 U.S.C. § 636(b)(1)(C). A party's failure to file written objections waives that party's right to challenge on appeal any unobjected-to factual finding or legal conclusion the district judge adopts from the Report and Recommendation. See 11th Cir. R. 3-1; 28 U.S.C. § 636(b)(1). **Should the parties wish to expedite the resolution of this matter, they may promptly file a joint notice of no objection.**

cc: Hon. Kathryn Kimball Mizelle
Counsel of Record