

# **Legislative Council Staff**

Nonpartisan Services for Colorado's Legislature

# **Fiscal Note**

**Drafting Number:** LLS 24-1197 May 5, 2024 Date: **Prime Sponsors:** Rep. Brown; Pugliese **Bill Status: House Judiciary** Sen. Mullica; Gardner Aaron Carpenter | 303-866-4918 Fiscal Analyst: aaron.carpenter@coleg.gov **Bill Topic:** RAISE DAMAGE LIMIT TORT ACTIONS **Summary of** ☐ State Transfer **Fiscal Impact:** ☐ TABOR Refund ☐ Statutory Public Entity The bill raises various caps on damage awards in tort cases. Starting in FY 2024-25, the bill minimally increases state workload and may minimally increase state revenue. **Appropriation** No appropriation is required. **Summary: Fiscal Note** The fiscal note reflects the introduced bill. **Status:** 

## **Summary of Legislation**

The bill makes several changes to the amount of damages that may be collected in civil cases, including:

- increasing the total amount of damages for noneconomic loss or injury in non-medical malpractice cases to \$1.5 million and adjusting the cap by inflation every 2 years after starting in 2028;
- allowing siblings of a person whose death was caused by certain negligence to sue and recover damages if the deceased had no surviving spouse, heirs, or designated beneficiary, or if the deceased was unmarried without descendants, and had no mother or no father;
- setting a wrongful death cap for damages at \$2.125 million;
- setting the cap for noneconomic loss in and injury in wrongful death medical malpractice cases to \$550,000 in 2025, \$810,000 in 2026, \$1.065 million in 2027, \$1.320 million in 2028, \$1.575 million in 2029; and adjusted for inflation in 2030 and every two years after;
- setting the cap for damages for course of care in medical malpractice cases to the greater of \$1.0 million present value patient or 125 percent of the noneconomic damages limitations effective at the time of the acts occurred present value per patient;
- increases the cap of noneconomic loss or injury in medical malpractice cases to \$415,000 in 2025, \$530,000 in 2026, \$645,000 in 2027, \$760,000 in 2028, \$875,000 in 2029, and then adjusted for inflation in 2030 and every two years after.

## **Background**

When a person suffers an injury from the actions of another, the person, or plaintiff, may bring a civil suit to recover damages from the action. Under current state law, the amount of damages that may be recovered may be limited to a certain dollar amount. For example, under current law, damages for noneconomic loss or injury cannot exceed \$250,000 unless the case involves medical malpractice or the court finds justification to increase damages up to \$500,000.

The district court fee for a civil case filing is \$235. County courts and district courts have concurrent jurisdiction in civil cases where the claim is \$25,000 or less, and the county court fee ranges from \$85 to \$135 depending on amount involved in the case.

## **State Revenue and Expenditures**

Starting in FY 2024-25, workload will increase in the Secretary of State's office to update materials and website to reflect the adjusted caps. This work can be accomplished within existing appropriations. To the extent higher caps create additional litigation, revenue and costs to the trial courts will increase. This impact is expected to be absorbed within existing resources.

### **Local Government**

Similar to the state, to the extent the bill increases civil case filings in the Denver County Court, revenue and workload will increase.

#### **Effective Date**

The bill takes effect January 1, 2025.

#### **State and Local Government Contacts**

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The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the <u>General Assembly website</u>.