

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1105-01  
Bill No.: HB 594  
Subject: Liability; Courts; Civil Procedure  
Type: Original  
Date: February 13, 2017

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Bill Summary: This proposal provides that a person who is injured by a product has 10 years after the sale or lease of the product to bring a suit for damages.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 4 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials at the **Office of the Attorney General** assume that any potential costs arising from this proposal can be absorbed with existing resources.

Officials at the **Office of the State Courts Administrator**, the **Office of Administration's Division of General Services**, the **Division of Purchasing and Material Management** and the **Division of Facilities Management, Design and Construction**, the **Department of Insurance**, **Financial Institutions and Professional Registration** and the **State Tax Commission** each assume no fiscal impact to their respective agencies from this proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

### FISCAL IMPACT - Small Business

There could be a direct fiscal impact to small businesses as a result of this proposal.

### FISCAL DESCRIPTION

This bill provides that a person who is injured by a defective or unsafe condition of a product due to negligence in the design, manufacture, sale, or distribution of a product has 10 years after the sale or lease of the product to bring a claim for damages. The 10-year time limitation shall not apply to actions relating to real property, to actions where a person has knowingly concealed any defective or unsafe condition in a product, actions for indemnity or contribution by a defendant, when a product has a warranty, and actions regarding negligent service or maintenance of a product.

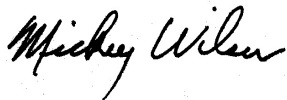
FISCAL DESCRIPTION (continued)

The provisions of this bill apply to all civil actions commenced on or after August 28, 2017, or any new causes of action asserted in civil actions pending on that date. However, any cause of action falling within the provisions of this bill that accrued on or before August 28, 2017, may, in any event, be brought no later than August 28, 2018, unless barred by another provision of law.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of the Attorney General  
Office of the State Courts Administrator  
Office of Administration  
    Division of General Services  
    Division of Purchasing and Material Management  
    Division of Facilities Management, Design and Construction  
Department of Insurance, Financial Institutions and Professional Registration  
State Tax Commission



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February 13, 2017

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February 13, 2017