Model Legislation

Noneconomic Damage Awards Act

Summary
The Noneconomic Damage Awards Act provides that an award for noneconomic damages shall not exceed $250,000 or the amount awarded in economic damages, whichever amount is greater. Economic damages are fully compensated and are not subject to the limitation.

Model Legislation

{Title, enacting clause, etc.}
Section 1. {Title.} This Act shall be known and may be cited as the Noneconomic Damage Awards Act.

Section 2. {Definitions.} The following words, as used in this Act, shall have the meaning set forth below, unless the context clearly requires otherwise:

(A) “Noneconomic damages” means subjective, nonpecuniary damages arising from pain, suffering, inconvenience, physical impairment, disfigurement, mental anguish, emotional distress, loss of society and companionship, loss of consortium, injury to reputation, humiliation, and other nonpecuniary damages.

(B) “Economic damages” means objectively verifiable pecuniary damages arising from medical expenses and medical care, rehabilitation services, custodial care, loss of earnings and earning capacity, loss of income, burial costs, loss of use of property, costs of repair or replacement of property, costs of obtaining substitute domestic services, loss of employment, loss of business or employment opportunities, and other objectively verifiable monetary losses.

Section 3. {Damage awards.} In any personal injury action, the prevailing plaintiff may be awarded:

(A) Compensation for economic damages suffered by the injured plaintiff; and

(B) Compensation for the noneconomic damages suffered by the injured plaintiff not to exceed:

(1) $250,000; or

(2) the amount awarded in economic damages, whichever amount is greater.

Section 4. {Special damages findings required.}

(A) If liability is found in a personal injury or wrongful death action, then the trier of fact, in addition to other appropriate findings, shall make separate findings for each claimant specifying the amount of:

(1) any past damages; and

(2) any future damages and the periods over which they will accrue, on an annual basis, for each of the following types of damages:

(a) medical and other costs of health care;

(b) other economic loss; and

(c) noneconomic loss.

(B) The calculation of all future medical care and other costs of health care and future noneconomic loss must reflect the costs and losses during the period of time the claimant will sustain those costs and losses. The calculation for other economic loss must be based on the losses during the period of time the claimant would have lived but for the injury upon which the claim is based.

Section 5. {Severability clause.}

Section 6. {Repealer clause.}

Section 7. {Effective date.}
To allow legislature to make a judgment as to what is appropriate for the state and that particular period of time.


Center for Media and Democracy's quick summary

This bill limits noneconomic damages, the payments injured plaintiffs receive as compensation for the diminished "quality of life" caused by the injury. It limits these damages to only the time the plaintiff lived, as opposed to the time he or she would have lived had the injury not occurred.

Additional analysis from CMD: This "model" legislation attempts to arbitrarily limit the amount a jury can award for pain, suffering, disfigurement, or for the loss of companionship from the death of your spouse to an amount equal to the injured or killed American's lost earnings or $250,000. Thus, it limits corporation's liability for injuring or killing an American even if a jury would have determined that a larger amount was warranted based on the particular facts of the case based on the pain, suffering, disfigurement or loss of companionship that was demonstrated at trial. By limiting the amount available for pain and suffering or loss of a spouse to their lost earnings and medical expenses, it also has the effect of valuing an older or poor American less than a richer American, despite the unique circumstances of the case at hand.