COMMITTEE ON LEGISLATIVE RESEARCH OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1724H.02C

Bill No.: HCS for HB 782

Subject: Liability; Courts; Civil Procedure

Type: Original

Date: February 24, 2021

Bill Summary: This proposal establishes provisions relating to civil liability for harm caused

by products manufactured or sold by third parties.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net			
Effect on General			
Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net			
Effect on Other State			
Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

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ESTIMATED NET EFFECT ON FEDERAL FUNDS				
FUND AFFECTED	FY 2022	FY 2023	FY 2024	
Total Estimated Net				
Effect on All Federal				
Funds	\$0	\$0	\$0	

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net			
Effect on FTE	0	0	0

 \square Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of the State Courts Administrator**, the **Department of Commerce and Insurance** and the **Department of Revenue** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

In response to a previous version, officials from the **Attorney General's Office** and the **Office of Administration** each assumed the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

FISCAL IMPACT –	FY 2022	FY 2023	FY 2024
State Government	(10 Mo.)		
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT –	FY 2022	FY 2023	FY 2024
Local Government	(10 Mo.)		
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

Some small businesses could receive more protection as a result of this proposal. Some small businesses could be harmed if they are trying to recover on a claim barred by this proposal.

FISCAL DESCRIPTION

This bill specifies that, in any civil action for personal injury, death, or property damage caused by a product, the plaintiff must prove that the defendant manufactured, sold, or leased the actual product that caused the injury. Sellers, or lessors of products not identified as having been used, ingested, or encountered by an alleged injured party will not be held liable for any alleged injury. If a person, firm, corporation, association, partnership, or other legal or business entity designs, but does not manufacture, a product shall not be subject to liability for personal injury, death, or property damage caused by the manufacturer's product, even if the use of the design is foreseeable.

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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 State Courts Administrator Attorney General's Office Department of Commerce and Insurance Department of Revenue Office of Administration

Julie Morff Director

February 24, 2021

Ross Strope Assistant Director February 24, 2021