

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0225S.01I
Bill No.: SB 7
Subject: Civil Procedure; Liability
Type: Original
Date: January 4, 2021

Bill Summary: This proposal provides that a person who is injured by a product has 15 years after the sale or lease of the product to bring a suit for damages.

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 <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on <u>All</u> 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

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 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 **Department of Revenue**, the **Attorney General’s Office**, the **Department of Commerce and Insurance** and the **Office of the State Courts Administrator** 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 similar legislation from 2020, SB 555, officials at the **Office of Administration** assumed no fiscal impact from this proposal.

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

<u>FISCAL IMPACT –</u> <u>Local Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
	<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 act provides that a person who is injured by a defective or unsafe condition of a product or due to negligence in the design, manufacture, sale, or distribution of a product has 15 years after the sale or lease of the product to bring a claim for damages.

The 15-year time limitation shall not apply to actions relating to real property, actions where a person has knowingly concealed any defective or unsafe condition or negligence of the product, actions for indemnity or contribution by a defendant, actions involving a product which has a warranty longer than 15 years, actions regarding negligent service or maintenance of a product, actions involving a product that is subject to a government mandated product recall related to consumer safety, actions where the product causes certain latent diseases, and actions against manufacturers where the harm occurred during a product's useful safe life. However, the exception to the time limitation regarding products causing certain latent diseases does not apply

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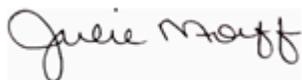
to certain actions against a seller claiming a product is unreasonably dangerous due to a defective condition, unless the seller is also the manufacturer.

This act applies to civil actions and new causes of action asserted on or after August 28, 2021. Any cause of action that has accrued on or before that date may be brought no later than August 28, 2022.

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

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



Julie Morff
Director
January 4, 2021



Ross Strobe
Assistant Director
January 4, 2021