

HB 2014 STAFF MEASURE SUMMARY

House Committee On Judiciary

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Meeting Dates: 3/5, 3/19

WHAT THE MEASURE DOES:

Removes \$500,000 cap on noneconomic damages for actions arising out of bodily injury. Retains \$500,000 cap on actions for damages arising out of wrongful death. Relocates definition of "economic damages" and "non-economic damages." Applies to claims for which a final judgment has not been entered. Declares emergency; effective on passage.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Oregon law separately addresses the types of damages awarded in civil actions. Economic damages are objectively verifiable monetary losses, such as medical or hospital expenses, loss of income and future earning impairment, and costs to replace damaged property. Noneconomic damages are subjective non monetary losses, including pain, mental suffering, emotional distress, injury to reputations, loss of care, comfort and companionship, and interference with normal activities aside from employment. Article 1, Section 10 of the Oregon Constitution states, "No court shall be secret, but justice shall be administered, openly and without purchase, completely and without delay, and every man shall have remedy by due course of law for injury done him in his person, property, or reputation." In 2016, an Oregon Supreme Court case analyzed the remedy provisions in Article 1, section 10, and limited recovery on all noneconomic damages to \$500,000. See *Horton v OHSU*, 359 Or 168 (2016).

House Bill 2014 removes the statutory cap on noneconomic damages for claims arising out of bodily injury and retains the cap on noneconomic damages arising out of wrongful death. The measure applies to actions that have not yet exhausted the appeals process.