

SENATE BILL No. 958

April 17, 1996, Introduced by Senators VAN REGENMORTER, DE GROW, CISKY, GEAKE and SCHUETTE and referred to the Committee on Judiciary.

A bill to amend sections 5805, 6301, 6304, 6306, and 6312 of Act No. 236 of the Public Acts of 1961, entitled as amended "Revised judicature act of 1961,"

section 5805 as amended by Act No. 115 of the Public Acts of 1988, section 6301 as added by Act No. 178 of the Public Acts of 1986, section 6304 as amended and section 6312 as added by Act No. 249 of the Public Acts of 1995, and section 6306 as amended by Act No. 161 of the Public Acts of 1995, being sections 600.5805, 600.6301, 600.6304, 600.6306, and 600.6312 of the Michigan Compiled Laws; to add sections 6308, 6313, 6314, 6315, 6316, and 6317; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Section 1. Sections 5805, 6301, 6304, 6306, and 6312 of Act
 No. 236 of the Public Acts of 1961, section 5805 as amended by
 Act No. 115 of the Public Acts of 1988, section 6301 as added by

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1 Act No. 178 of the Public Acts of 1986, section 6304 as amended 2 and section 6312 as added by Act No. 249 of the Public Acts of 3 1995, and section 6306 as amended by Act No. 161 of the Public 4 Acts of 1995, being sections 600.5805, 600.6301, 600.6304, 5 600.6306, and 600.6312 of the Michigan Compiled Laws, are amended 6 and sections 6308, 6313, 6314, 6315, 6316, and 6317 are added to 7 read as follows:

8 Sec. 5805. (1) A person shall not bring or maintain an 9 action to recover damages for injuries to persons or property 10 unless, after the claim first accrued to the plaintiff or to 11 someone through whom the plaintiff claims, the action is com-12 menced within the periods of time prescribed by this section.

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(2) The period of limitations is 2 years for an action14 charging assault, battery, or false imprisonment.

(3) The period of limitations is 2 years for an actionto charging malicious prosecution.

17 (4) Except as otherwise provided in this chapter, the period18 of limitations is 2 years for an action charging malpractice.

19 (5) The period of limitations is 2 years for an action 20 against a sheriff charging misconduct or neglect of office by the 21 sheriff or the sheriff's deputies.

(6) The period of limitations is 2 years after the expiration of the year for which a constable was elected for actions based on the constable's negligence or misconduct as constable. (7) The period of limitations is 1 year for an action charging libel or slander.

(8) The period of limitations is 3 years after the time of
2 the death or injury for all other actions to recover damages for
3 the death of a person, or for injury to a person or property.

4 (9) The period of limitations is 3 years for a products 5 liability action. However, in the case of a product — which— THAT 6 has been in use for not less than 10 years, the plaintiff, in 7 proving a prima facie case, shall be required to do so without 8 benefit of any presumption.

9 (10) The period of limitations for an action against a state 10 licensed architect, professional engineer, land surveyor, or con-11 tractor based on an improvement to real property shall be as pro-12 vided in section 5839.

(11) THIS SUBSECTION APPLIES TO AN ACTION BASED ON TORT AS
14 THAT TERM IS DEFINED IN SECTION 6301. IF, WITHIN 60 DAYS AFTER
15 THE CLOSE OF DISCOVERY IN THE ACTION AS SPECIFIED BY THE COURT, A
16 PERSON THAT IS NOT A PARTY TO AN ACTION BASED ON TORT IS IDENTI17 FIED AS A PERSON THAT MAY BE AT FAULT IN THE ACTION, UPON MOTION
18 OF A PARTY WITHIN 91 DAYS AFTER THAT IDENTIFICATION, THE COURT
19 SHALL GRANT LEAVE TO THE MOVING PARTY TO FILE AND SERVE AN
20 AMENDED PLEADING ALLEGING 1 OR MORE CAUSES OF ACTION AGAINST THE
21 PERSON IDENTIFIED. A CAUSE OF ACTION ADDED UNDER THIS SUBSECTION
22 IS NOT BARRED BY A PERIOD OF LIMITATION UNLESS THE CAUSE OF
23 ACTION WOULD HAVE BEEN BARRED BY A PERIOD OF LIMITATION AT THE
24 TIME OF THE FILING OF THE ORIGINAL ACTION.

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CHAPTER 63.

TORT VERDICTS AND DAMAGES

Sec. 6301. As used in this chapter: 3

(A) "FAULT" INCLUDES AN ACT, AN OMISSION, CONDUCT, INCLUDING 4 INTENTIONAL CONDUCT, A BREACH OF WARRANTY, OR A BREACH OF A LEGAL 5 6 DUTY, OR ANY CONDUCT THAT COULD GIVE RISE TO THE IMPOSITION OF 7 STRICT LIABILITY, THAT IS A PROXIMATE CAUSE OF DAMAGE SUSTAINED 8 BY A PARTY.

9 (B) (a) "Future damages" means damages arising from per-10 sonal injury -which THAT the trier of fact finds will accrue 11 after the damage findings are made and includes damages for medi-12 cal treatment, care and custody, loss of earnings, loss of earn-13 ing capacity, loss of bodily function, and pain and suffering. (C) -(b)- "Personal injury" means bodily harm, sickness, 14 15 disease, death, or emotional harm resulting from bodily harm. (D) "TORT" INCLUDES ANY LEGAL THEORY SEEKING DAMAGES FOR 16 17 PERSONAL INJURY, PROPERTY DAMAGE, OR WRONGFUL DEATH.

Sec. 6304. (1) In an action based on tort or another legal 18 19 theory seeking damages for personal injury, property damage, or 20 wrongful death involving fault of more than 1 person, including 21 third-party defendants and nonparties, AND IN ACCORDANCE WITH 22 SECTION 6314, the court, unless otherwise agreed by all parties 23 to the action, shall instruct the jury to answer special inter-24 rogatories or, if there is no jury, shall make findings indicat-25 ing both of the following:

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(a) The total amount of each plaintiff's damages.

1 (b) The percentage of the total fault of all persons that 2 contributed to the death or injury, including each plaintiff and 3 each person released from liability under section 2925d, regard-4 less of whether the person was or could have been named as a 5 party to the action.

6 (2) In determining the percentages of fault under subsection 7 (1)(b), the trier of fact shall consider both the nature of the 8 conduct of each person at fault and the extent of the causal 9 relation between the conduct and the damages claimed.

10 (3) The court shall determine the award of damages to each 11 plaintiff in accordance with the findings under subsection (1), 12 subject to <u>any reduction under subsection (5) or section 2955a</u> 13 or ADJUSTMENTS UNDER SECTIONS 6303, 6308, 6315, AND 6317, and 14 shall enter judgment against each party, including a third-party 15 defendant, except that judgment shall not be entered against a 16 person who has been released from liability as provided in sec-17 tion 2925d.

(4) Liability in an action to which this section applies is
19 several only and not joint. Except as otherwise provided in
20 subsection (6) SECTIONS 6308, 6312, AND 6317, AND IN ACCORDANCE
21 WITH SECTION 6313, a person shall not be required to pay damages
22 in an amount greater than his or her percentage of fault as found
23 under subsection (1). This subsection and section 2956 do not
24 apply to a defendant that is jointly and severally liable under
25 section 6312.

26 (5) In an action alleging medical malpractice, the court
27 shall-reduce an award of damages in excess of 1 of the

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1 limitations set forth in section +483 to the amount of the 2 appropriate limitation set forth in section +483. The jury shall 3 not be advised by the court or by counsel for either party of the 4 limitations set forth in section +483 or any other provision of 5 section +483.

6 (6) If an action includes a medical malpractice claim
7 against a person or entity described in section 5838a(+); 1 of
8 the following applies:

9 (a) If the plaintiff is determined to be without fault under 10 subsections (1) and (2), the liability of each defendant is joint 11 and several, whether or not the defendant is a person or entity 12 described in section 5838a(1).

(b) If the plaintiff is determined to have fault under sub sections (1) and (2), upon motion made not later than 6 months after a final judgment is entered, the court shall determine whether all or part of a party's share of the obligation is uncollectible from that party, and shall reallocate any uncollectible amount among the other parties, whether or not another party is a person or entity described in section 5030a(1), according to their respective percentages of fault as determined under subsection (1). A party is not required to pay a percentage of any uncollectible amount that exceeds that party's percentage of fault as determined under subsection (1). The party whose liability is reallocated continues to be subject to contribution and to any continuing liability to the plaintiff on the judgment.

(7) Notwithstanding subsection (6), a governmental agency,
 other than a governmental hospital or medical care facility, is
 not required to pay a percentage of any uncollectible amount that
 exceeds the governmental agency's percentage of fault as deter
 mined under subsection (1).

6 (8) As used in this section, "fault" includes an act, an 7 omission, conduct, including intentional conduct, a breach of 8 warranty, or a breach of a legal duty, or any conduct that could 9 give rise to the imposition of strict liability, that is a proxi 10 mate cause of damage sustained by a party.

Sec. 6306. (1) After a verdict rendered by a trier of fact 12 in favor of a plaintiff, an order of judgment shall be entered by 13 the court. <u>Subject to section 2959</u> IN ACCORDANCE WITH THE 14 OTHER PROVISIONS OF THIS CHAPTER, the order of judgment shall be 15 entered against each defendant, including a third-party 16 defendant, in the following order and in the following judgment 17 amounts:

(a) All past economic damages, less collateral source pay-19 ments as provided for in section 6303.

20 (b) All past noneconomic damages.

(c) All future economic damages, less medical and other health care costs, and less collateral source payments determined to be collectible under section 6303(5) reduced to gross present cash value.

(d) All future medical and other health care costs reduced26 to gross present cash value.

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(e) All future noneconomic damages reduced to gross present2 cash value.

3 (f) All taxable and allowable costs, including interest as 4 permitted by section 6013 or 6455 on the judgment amounts. 5 (2) As used in this section, "gross present cash value" 6 means the total amount of future damages reduced to present value 7 at a rate of 5% per year for each year in which those damages 8 accrue, as found by the trier of fact as provided in 9 section 6305(1)(b).

(3) If the plaintiff was assigned a percentage of fault under section 6304, the total judgment amount shall be reduced, <u>subject to section-2959</u> IN ACCORDANCE WITH SECTION 6315, by an amount equal to the percentage of plaintiff's fault. When reducudgment amount as provided in this subsection, the court shall determine the ratio of total past damages to total future damages and shall allocate the amounts to be deducted proportionudgment amount and future damages.

SEC. 6308. (1) IN AN ACTION ALLEGING MEDICAL MALPRACTICE, 19 THE COURT SHALL REDUCE AN AWARD OF DAMAGES IN EXCESS OF 1 OF THE 20 LIMITATIONS SET FORTH IN SECTION 1483 TO THE AMOUNT OF THE APPRO-21 PRIATE LIMITATION SET FORTH IN SECTION 1483. THE JURY SHALL NOT 22 BE ADVISED BY THE COURT OR BY COUNSEL FOR EITHER PARTY OF THE 23 LIMITATIONS SET FORTH IN SECTION 1483 OR ANY OTHER PROVISION OF 24 SECTION 1483.

(2) IF AN ACTION INCLUDES A MEDICAL MALPRACTICE CLAIM
26 AGAINST A PERSON OR ENTITY DESCRIBED IN SECTION 5838A(1), 1 OF
27 THE FOLLOWING APPLIES:

(A) IF THE PLAINTIFF IS DETERMINED TO BE WITHOUT FAULT UNDER
2 SECTION 6304, THE LIABILITY OF EACH DEFENDANT IS JOINT AND SEVER3 AL, WHETHER OR NOT THE DEFENDANT IS A PERSON OR ENTITY DESCRIBED
4 IN SECTION 5838A(1).

5 (B) IF THE PLAINTIFF IS DETERMINED TO HAVE FAULT UNDER SEC-6 TION 6304, UPON MOTION MADE NOT LATER THAN 6 MONTHS AFTER A FINAL 7 JUDGMENT IS ENTERED, THE COURT SHALL DETERMINE WHETHER ALL OR 8 PART OF A PARTY'S SHARE OF THE OBLIGATION IS UNCOLLECTIBLE FROM 9 THAT PARTY, AND SHALL REALLOCATE ANY UNCOLLECTIBLE AMOUNT AMONG 10 THE OTHER PARTIES, WHETHER OR NOT ANOTHER PARTY IS A PERSON OR 11 ENTITY DESCRIBED IN SECTION 5838Å(1), ACCORDING TO THEIR RESPEC-12 TIVE PERCENTAGES OF FAULT AS DETERMINED UNDER SECTION 6304. 13 EXCEPT AS OTHERWISE PROVIDED IN SECTION 6312, A PARTY IS NOT 14 REQUIRED TO PAY A PERCENTAGE OF ANY UNCOLLECTIBLE AMOUNT THAT 15 EXCEEDS THAT PARTY'S PERCENTAGE OF FAULT AS DETERMINED UNDER SEC-16 TION 6304. THE PARTY WHOSE LIABILITY IS REALLOCATED CONTINUES TO 17 BE SUBJECT TO CONTRIBUTION AND TO ANY CONTINUING LIABILITY TO THE 18 PLAINTIFF ON THE JUDGMENT.

(3) NOTWITHSTANDING SUBSECTION (2), A GOVERNMENTAL AGENCY,
O OTHER THAN A GOVERNMENTAL HOSPITAL OR MEDICAL CARE FACILITY, IS
NOT REQUIRED TO PAY A PERCENTAGE OF ANY UNCOLLECTIBLE AMOUNT THAT
EXCEEDS THE GOVERNMENTAL AGENCY'S PERCENTAGE OF FAULT AS DETERMINED UNDER SECTION 6304.

Sec. 6312. (1) A defendant that is found liable for an act or omission that causes personal injury, property damage, or wrongful death is jointly and severally liable if the defendant's act or omission is <u>any</u> 1 OR MORE of the following:

(a) A crime, an element of which is gross negligence, for
2 which the defendant is convicted.

3 (b) A crime involving the use of alcohol or a controlled
4 substance for which the defendant is convicted and that is a vio5 lation of 1 or more of the following:

6 (i) Section 14 of the explosives act of 1970, Act No. 202 of
7 the Public Acts of 1970, being section 29.54 of the Michigan
8 Compiled Laws.

9 (*ii*) Section 111 of the Michigan code of military justice of 10 1980, Act No. 523 of the Public Acts of 1980, being section 11 32.1111 of the Michigan Compiled Laws.

(*iii*) Section 625 OR 625M of the Michigan vehicle code, Act
 No. 500 of the Public Acts of 1949, being section SECTIONS
 14 257.625 AND 257.625M of the Michigan Compiled Laws.

15 (iv) Section 185 of the Aeronautics code of the state of
16 Michigan, Act No. 327 of the Public Acts of 1945, being section
17 259.185 of the Michigan Compiled Laws.

(v) Section 80176 of part 801 (marine safety), 81134 OR
19 81135 of part 811 (off-road recreation vehicles), or 82127 of
20 part 821 (snowmobiles) of the natural resources and environmental
21 protection act, Act No. 451 of the Public Acts of 1994, being
22 sections 324.80176, 324.81134, 324.81135, and 324.82127 of the
23 Michigan Compiled Laws.

(vi) Section 353 OR 355 of the railroad code of 1993, Act
No. 354 of the Public Acts of 1993, being -section SECTIONS
26 462.353 AND 462.355 of the Michigan Compiled Laws.

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1 (vii) Section 237 of the Michigan penal code, Act No. 328 of 2 the Public Acts of 1931, being section 750.237 of the Michigan 3 Compiled Laws.

4 (viii) A LOCAL ORDINANCE SUBSTANTIALLY CORRESPONDING TO A
5 CRIME LISTED IN SUBPARAGRAPHS (i) TO (vii).

6 (C) A CRIME FOR WHICH THE DEFENDANT IS CONVICTED THAT IS A 7 VIOLATION OF 1 OR MORE OF THE FOLLOWING:

8 (i) SECTION 33 OF THE MICHIGAN LIQUOR CONTROL ACT, ACT NO. 8
9 OF THE PUBLIC ACTS OF THE EXTRA SESSION OF 1933, BEING SECTION
10 436.33 OF THE MICHIGAN COMPILED LAWS.

11 (ii) SECTION 626 OR 626A OF ACT NO. 300 OF THE PUBLIC ACTS
12 OF 1949, BEING SECTIONS 257.626 AND 257.626A OF THE MICHIGAN
13 COMPILED LAWS.

14 (iii) A SECTION IN ANY OF THE FOLLOWING CHAPTERS OF ACT 15 NO. 328 OF THE PUBLIC ACTS OF 1931:

16	CHAPTER	MICHIGAN COMPILED LAWS SECTIONS
17	х	750.71 TO 750.80
18	IX	750.81 TO 750.90
19	XXXIII	750.200 TO 750.212
20	XXXVII	750.222 TO 750.239
21	XLV	750.316 TO 750.329
22	L	750.349 TO 750.350A
23	LVI	750.377 TO 750.394A
24	LVIII	750.397 TO 750.397A
25	LXXVI	750.520A TO 750.520M
26	LXXVII	750.523 TO 750.528A

1 LXXVIII 750.529 TO 750.531 2 (iv) SECTION 1 OF ACT NO. 214 OF THE PUBLIC ACTS OF 1931, 3 BEING SECTION 752.191 OF THE MICHIGAN COMPILED LAWS.

4 (v) A LOCAL ORDINANCE SUBSTANTIALLY CORRESPONDING TO A CRIME 5 LISTED IN SUBPARAGRAPHS (i) TO (iv).

6 (2) BEFORE ENTRY OF AN ORDER AWARDING DAMAGES FOR PERSONAL
7 INJURY, PROPERTY DAMAGE, OR WRONGFUL DEATH, THE PLAINTIFF MAY
8 PRESENT EVIDENCE TO THE COURT THAT A DEFENDANT IS JOINTLY AND
9 SEVERALLY LIABLE UNDER SUBSECTION (1). IF THE COURT FINDS A
10 DEFENDANT JOINTLY AND SEVERALLY LIABLE UNDER THIS SECTION, THE
11 COURT SHALL STATE THAT FINDING IN THE JUDGMENT.

12 (3) A FINDING UNDER THIS SECTION THAT A DEFENDANT IS JOINTLY
13 AND SEVERALLY LIABLE DOES NOT AFFECT THE LIABILITY OF ANOTHER
14 DEFENDANT FOUND LIABLE IN THE SAME ACTION.

SEC. 6313. EXCEPT AS PROVIDED IN SECTIONS 6308 AND 6312, IN
AN ACTION BASED ON TORT, THE LIABILITY OF EACH DEFENDANT FOR DAMAGES IS SEPARATE ONLY AND IS NOT JOINT AND SEVERAL. HOWEVER,
THIS SECTION DOES NOT ABOLISH AN EMPLOYER'S VICARIOUS LIABILITY
FOR AN ACT OR OMISSION OF THE EMPLOYER'S EMPLOYEE.

SEC. 6314. (1) IN AN ACTION BASED ON TORT, THE LIABILITY OF EACH PERSON SHALL BE ALLOCATED BY THE TRIER OF FACT IN DIRECT PROPORTION TO THE PERSON'S PERCENTAGE OF FAULT. IN ASSESSING PERCENTAGES OF FAULT, THE TRIER OF FACT SHALL CONSIDER THE FAULT OF EACH PERSON, REGARDLESS OF WHETHER THE PERSON IS, OR COULD HAVE BEEN, NAMED AS A PARTY TO THE ACTION.

26 (2) SECTIONS 6313 TO 6316 DO NOT ELIMINATE OR DIMINISH A
27 DEFENSE OR IMMUNITY EXCEPT AS EXPRESSLY PROVIDED IN THOSE

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I SECTIONS. ASSESSMENTS OF PERCENTAGES OF FAULT FOR NONPARTIES ARE
2 USED ONLY TO ACCURATELY DETERMINE THE FAULT OF NAMED PARTIES. IF
3 FAULT IS ASSESSED AGAINST A NONPARTY, A FINDING OF FAULT DOES NOT
4 SUBJECT THE NONPARTY TO LIABILITY IN THAT ACTION AND SHALL NOT BE
5 INTRODUCED AS EVIDENCE OF LIABILITY IN ANOTHER ACTION.

6 SEC. 6315. (1) EXCEPT AS OTHERWISE PROVIDED IN THIS SEC-7 TION, IN AN ACTION BASED ON TORT, A PLAINTIFF'S CONTRIBUTORY 8 FAULT DOES NOT BAR THAT PLAINTIFF'S RECOVERY OF DAMAGES.

9 (2) IN AN ACTION BASED ON TORT, THE COURT SHALL REDUCE THE 10 DAMAGES BY THE PERCENTAGE OF COMPARATIVE FAULT OF THE PERSON UPON 11 WHOSE INJURY OR DEATH THE DAMAGES ARE BASED AS PROVIDED IN 12 SECTION 6306. IF, HOWEVER, THAT PERSON'S PERCENTAGE OF FAULT IS 13 GREATER THAN THE AGGREGATE FAULT OF THE OTHER PERSON OR PERSONS 14 FOUND TO BE AT FAULT, WHETHER OR NOT PARTIES TO THE ACTION, NON-15 ECONOMIC DAMAGES SHALL NOT BE AWARDED, AND THE COURT SHALL REDUCE 16 ECONOMIC DAMAGES BY THE PERCENTAGE OF COMPARATIVE FAULT OF THE 17 PERSON UPON WHOSE INJURY OR DEATH THE DAMAGES ARE BASED AS PRO-18 VIDED IN SECTION 6306.

19 SEC. 6316. (1) THE PERSON SEEKING TO ESTABLISH FAULT UNDER
20 SECTIONS 6314 AND 6315 HAS THE BURDEN OF ALLEGING AND PROVING
21 THAT FAULT.

(2) SECTIONS 6314 AND 6315 DO NOT CREATE A CAUSE OF ACTION.
SEC. 6317. (1) IF, UNDER SECTION 6304, THE TRIER OF FACT
4 HAS ALLOCATED PERCENTAGES OF FAULT TO 1 OR MORE NONPARTIES,
EXCLUDING NONPARTIES RELEASED FROM LIABILITY UNDER SECTION 2925D,
THE COURT SHALL DETERMINE IF THOSE PERCENTAGES IN THE AGGREGATE
ARE MORE THAN 25% OF THE TOTAL JUDGMENT AFTER ANY REDUCTION UNDER

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1 SECTION 6315. IF THE AGGREGATE PERCENTAGE IS MORE THAN 25%, THE 2 COURT SHALL REALLOCATE THE DAMAGES IN ACCORDANCE WITH SUBSECTION 3 (2).

4 (2) THE COURT SHALL DETERMINE THE AMOUNT OF DAMAGES TO REAL-5 LOCATE BY MULTIPLYING THE TOTAL JUDGMENT, AFTER ANY REDUCTION 6 UNDER SECTION 6315, BY THE PERCENTAGE BY WHICH THE AGGREGATE PER-7 CENTAGE DETERMINED UNDER SUBSECTION (1) EXCEEDS 25%. THE COURT 8 SHALL REALLOCATE THE AMOUNT DETERMINED UNDER THIS SUBSECTION, BUT 9 ONLY AMONG EACH DEFENDANT WHOSE PERCENTAGE OF FAULT IS MORE THAN 10 10%, BY MULTIPLYING THE AMOUNT DETERMINED UNDER THIS SUBSECTION 11 BY A DEFENDANT'S PERCENTAGE OF FAULT AND ADDING THE RESULT TO THE 12 DAMAGES FOR WHICH THE DEFENDANT IS OTHERWISE LIABLE.

(3) THIS SECTION DOES NOT APPLY IN AN ACTION GOVERNED BY14 SECTION 6308.

15 Section 2. Sections 2956, 2957, 2958, 2959, and 2960 of Act 16 No. 236 of the Public Acts of 1961, being sections 600.2956, 17 600.2957, 600.2958, 600.2959, and 600.2960 of the Michigan 18 Compiled Laws, are repealed.

Section 3. Sections 6301, 6304, 6306, and 6312 of Act No. 236 of the Public Acts of 1961, being sections 600.6301, 600.6304, 600.6306, and 600.6312 of the Michigan Compiled Laws, as amended by this amendatory act, and sections 6308, 6313, 6314, 6315, 6316, and 6317 of Act No. 236 of the Public Acts of 1961, being sections 600.6308, 600.6313, 600.6314, 600.6315, 600.6316, and 600.6317 of the Michigan Compiled Laws, as added by this amendatory act, apply to cases filed on or after the effective added of this amendatory act.