



**Senate Fiscal Agency**  
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BILL ANALYSIS



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House Bill 4508 (Substitute H-6 as discharged)  
Sponsor: Representative Michael Nye  
House Committee: Judiciary and Civil Rights  
Senate Committee: Judiciary

### **CONTENT**

The bill would amend the Revised Judicature Act to do the following in regard to actions based on tort or another legal theory seeking damages for personal injury, property damage, or wrongful death:

- Eliminate joint liability and the reallocation of uncollectible amounts, except in medical malpractice actions.
- Require the trier of fact to consider the fault of nonparties, as well as parties, in determining the percentage of total fault in an action involving fault of more than one person.
- Provide that noneconomic damages could not be awarded to a party whose percentage of fault exceeded the aggregate fault of the other persons, and the party's economic damages would have to be reduced.
- Require the trier of fact to allocate the liability of each person in direct proportion to the person's percentage of fault, regardless of whether the person was or could have been named as a party to the action.
- Revise provisions governing venue (the particular county in which an action may be commenced and tried).

The bill specifies that it would take effect September 1, 1995, and apply to cases filed on or after that date.

MCL 600.1621 et al.

Legislative Analyst: S. Margules

### **FISCAL IMPACT**

Provisions in the bill concerning the allocation of fault among multiple persons at fault would have an indeterminate impact on State and local units of government. The amount depends on the number of lawsuits in which a unit of government is one of multiple defendants. Highway negligence cases account for the majority of tort payments by the State. Annual payments have averaged \$15.7 million. The majority of cases against the Michigan Department of Transportation result from accidents in which more than one vehicle was involved.

Date Completed: 9-27-95

Fiscal Analyst: B. Bowerman

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.