

103RD GENERAL ASSEMBLY State of Illinois 2023 and 2024 SB0234

Introduced 1/31/2023, by Sen. Jil Tracy

SYNOPSIS AS INTRODUCED:

New Act

Creates the Full and Fair Noneconomic Damages Act. Provides that, in determining noneconomic damages, the fact-finder may not consider: (i) evidence of a defendant's alleged wrongdoing, misconduct, or guilt; (ii) evidence of the defendant's wealth or financial resources; or (iii) any other evidence that is offered for the purpose of punishing the defendant, rather than offered for a compensatory purpose. Provides for bifurcated trials before the same jury in cases involving punitive damages, if requested by any defendant. Outlines the procedure for the bifurcated trials. Provides for court posttrial review of noneconomic damage awards pursuant to specified nonexclusive factors. Includes legislative findings, definitions, and applicability language. Effective immediately.

LRB103 24948 LNS 51282 b

1 AN ACT concerning civil law.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

- Section 1. Short title. This Act may be cited as the Full and Fair Noneconomic Damages Act.
- 6 Section 5. Findings.

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- (a) The purpose of this Act is to ensure that individuals receive full and fair compensatory damages, including damages for pain and suffering.
 - (b) Pain and suffering awards are intended to provide an injured person with compensation for the pain and suffering resulting from the injury at issue in a particular lawsuit.
 - (c) Punitive damages are intended to punish a defendant for wrongful conduct. Punitive damages are subject to certain statutory requirements, must be based on the appropriate evidence, and must be in accordance with the constitutional jurisprudence of the Supreme Court of the United States.
 - (d) Pain and suffering awards are distinct from punitive damages. Pain and suffering awards are intended to compensate a person for the person's loss. They are not intended to punish a defendant for wrongful conduct.
- (e) For that reason, evidence that juries may consider in awarding pain and suffering damages is different from evidence

- courts may consider for punitive damages. For example, the amount of a plaintiff's pain and suffering is not relevant to a decision on wrongdoing, and the degree of the defendant's wrongdoing is not relevant to the amount of pain and suffering.
 - (f) The size of noneconomic damage awards, which includes pain and suffering, has increased dramatically in recent years. While pain and suffering awards are inherently subjective, the General Assembly believes that this inflation of noneconomic damages is partially due to the improper consideration of evidence of wrongdoing in assessing pain and suffering damages.
 - (g) Inflated damage awards create an improper resolution of civil justice claims. The increased and improper costs of litigation and resulting rise in insurance premiums are passed on to the public through higher prices for products and services. Therefore, courts should provide juries with clear instructions about the purpose of pain and suffering damages. Courts should instruct juries that evidence of misconduct is not to be considered in deciding compensation for noneconomic damages. Rather, it is to be considered solely for the purpose of deciding punitive damage awards.
 - (h) In each case in which an award for punitive damages is requested, the defendant should have the right to request bifurcation of a trial to ensure that evidence of misconduct is not inappropriately considered by the jury in its

- determination of liability and compensatory damages.
- 2 (i) As an additional protection, trial and appellate
- 3 courts should rigorously review pain and suffering awards to
- 4 ensure that they properly serve compensatory purposes and are
- 5 not excessive.
- 6 Section 10. Definitions. As used in this Act:
- 7 "Exemplary damages" means damages awarded as a penalty or
- 8 by way of punishment but not for compensatory purposes.
- 9 "Exemplary damages" are neither economic nor noneconomic
- 10 damages. "Exemplary damages" includes punitive damages.
- "Noneconomic damages" means damages, recoverable in a tort
- 12 action, that are awarded for the purpose of compensating a
- 13 claimant for physical pain and suffering, mental or emotional
- 14 pain or anguish, loss of consortium, disfigurement, physical
- impairment, loss of companionship and society, inconvenience,
- loss of enjoyment of life, and all other nonpecuniary losses
- other than exemplary or punitive damages.
- "Pain and suffering" means the type of noneconomic damages
- 19 that cover actual physical pain and suffering that is the
- 20 proximate result of a physical injury sustained by a person.
- 21 Section 15. Noneconomic damages; determination. In
- determining noneconomic damages, the finder of fact may not
- 23 consider:
- 24 (1) evidence of a defendant's alleged wrongdoing,

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<u> </u>	misconduct,	or	quilt;

- 2 (2) evidence of a defendant's wealth or financial resources; or
- 4 (3) any other evidence that is offered for the purpose 5 of punishing a defendant, rather than offered for a 6 compensatory purpose.
- Section 20. Procedure for trial of compensatory and punitive damages.
- 9 (a) All actions involving punitive damages tried before a
 10 jury shall, if requested by any defendant, be conducted in a
 11 bifurcated trial before the same jury.
 - (b) In the first stage of a bifurcated trial, the jury shall determine liability for compensatory damages and the amount of compensatory damages or nominal damages. Evidence relevant only to the issues of punitive damages is not admissible in this stage.
 - (c) Punitive damages may be awarded only if compensatory damages have been awarded in the first stage of the trial. An award of nominal damages cannot support an award of punitive damages.
- 21 (d) In the second stage of a bifurcated trial, the jury 22 shall determine whether a defendant is liable for punitive 23 damages.
- 24 Section 25. Review of noneconomic damage awards.

- (a) Upon a posttrial motion, a trial court shall perform a rigorous analysis of the evidence supporting a noneconomic damages award challenged as excessive. The court shall consider in its analysis the following nonexclusive factors:
 - (1) Whether the evidence presented or the arguments of counsel resulted in one or more of the following events in the determination of a noneconomic damage award:
 - (A) It inflamed the passion or prejudice of the trier of fact.
 - (B) It resulted in the improper consideration of the wealth of the defendant.
 - (C) It resulted in the improper consideration of the misconduct of the defendant so as to punish the defendant in circumvention of statutory or constitutional standards applicable to punitive damage awards.
 - (2) Whether the verdict is in excess of verdicts involving comparable injuries to similarly situated plaintiffs.
 - (3) Whether there were any extraordinary circumstances in the record to account for an award in excess of what was granted by courts to similarly situated plaintiffs, with consideration to the injury type, the severity of the injury, and the plaintiff's age.
 - (b) A trial court upholding a noneconomic damages award challenged as excessive shall set forth in writing its reasons

- 1 for upholding the award.
- 2 (c) A reviewing court shall use a de novo standard of
- 3 review when considering an appeal of a noneconomic damages
- 4 award on the grounds of excessiveness.
- 5 Section 30. Applicability. This Act applies to actions
- filed on or after its effective date.
- 7 Section 99. Effective date. This Act takes effect upon
- 8 becoming law.