F I S C A L   I M P A C T   R E P O R T

SPONSOR Ezzell	**DATE TYPED** 02/21/05	**HB** HM 7
SHORT TITLE Support President's Legal Reform		**SB**
	ANALYST Ford	

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	**FY06**	**FY05**	**FY06**		
			NFI		

(Parenthesis ( ) Indicate Expenditure Decreases)

SOURCES OF INFORMATION
LFC Files

Response Received From

Attorney General (AGO)

SUMMARY

Synopsis of Bill

House Memorial 7 makes findings related to the impact of class action litigation and medical malpractice litigation and calls upon the New Mexico congressional delegation to "support the President's call for meaningful class action reform and medical malpractice liability reform."

Significant Issues

On February 18, 2005, the President signed S. 5, known as the "Class-Action Fairness Act of 2005." The new law changes where class-action cases are heard, diverting more cases to federal courts. The law also limits attorney fees in settlements where plaintiffs get discounts on products instead of financial settlements. The fees will be linked to the coupon's redemption rate or the actual hours spent working on the case.

The memorial also calls upon the New Mexico congressional delegation to support the President's medical malpractice liability reform proposals. Currently, Congress is considering H.R. 534, which would limit non-economic damages in medical malpractice cases to $250 thousand.
EF/lg