

**TITLE 7: CIVIL PROCEDURE**  
**DIVISION 2: ACTIONS AND SPECIAL PROCEEDINGS**

**§ 2921. Definitions.**

In this chapter:

(a) The term “economic damages” means monetary losses including medical and health care expenses, loss of earnings, burial expenses, property damage, loss of use of property, costs of repair or replacement, costs of obtaining substitute domestic services, loss of business or employment opportunities.

(b) The term “non-economic damages” means non-monetary damages including, but not limited to, pain, suffering, inconvenience, mental suffering, emotional distress, loss of consortium, loss of society and companionship, humiliation and injury to reputation.

**Source:** PL 14-46, § 3 (2901).

**Commission Comment:** PL 14-46 was enacted on December 21, 2004, and contained the following short title, findings, and prospective effect, in addition to severability and savings provisions:

Section 1. Short Title. This act may be cited as the “Injury Compensation Act of 2004.”

Section 2. Findings. The Legislature retains board control over the measure of damages that a defendant is obligated to pay and that a personal injury claimant or plaintiff is entitled to receive, and may expand or limit recoverable damages so long as its action is rationally related to a legitimate Commonwealth interest. The purpose of the Injury Compensation Act is to further the Commonwealth’s interests in maintaining the availability of liability insurance in the Commonwealth, fostering competition in the insurance market, reducing the cost of liability insurance, increasing the types and scope of liability coverage, encouraging the widespread acquisition of liability insurance by individuals and businesses, increasing sources of compensation for victims of personal injuries, and preserving commercial and economic stability in the Commonwealth and preserving a legal environment of fairness to plaintiffs, defendants and insurers. It is in the best interest of the CNMI economy to encourage private investment in the CNMI. This statute is in part designed to dissuade insurers from discontinuing the provision of liability insurance in the Commonwealth, to reduce the significant rise premiums and increase the types and amount of coverage available for CNMI risks. There has been a decrease in the types of coverage being made available in relation to certain CNMI risks. Premiums for some types of coverage that have risen so high that they are no longer available to or affordable by individuals and businesses in the CNMI. Several insurers have commenced the process of completely ceasing to provide liability insurance in the CNMI and other have expressed an intention to do the same. The Legislature finds that, without passage of this Act, Commonwealth commerce decline and there would be a significant risk of substantial negative impact on the people and infrastructure of the CNMI. The absence of a limitation on the extent to which the non-economic damages may be recovered in civil actions in the CNMI has a chilling impact on the operation of private insurance

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companies in the CNMI. The Legislature finds that it is in the best interest of the people of the CNMI to limit the extent to which non-economic damages are recoverable in personal injury actions.

. . .

Section 5. Prospective Effect. This Act applies to all causes of action accruing after its effective date.