MISSISSIPPI LEGISLATURE

By:Representatives Watson,To:Select CommitteeBlackmon, Eads, Jennings,Civil Justice Reform Masterson, Pierce, Simpson, Smith (39th), Stevens, Warren

To: Select Committee on

HOUSE BILL NO. 19 (As Passed the House)

AN ACT TO AMEND SECTION 11-11-3, MISSISSIPPI CODE OF 1972, TO 1 REVISE VENUE IN CIVIL ACTIONS GENERALLY; TO AMEND SECTION 11-1-62, 2 MISSISSIPPI CODE OF 1972, TO PROVIDE PROTECTION FOR PHARMACISTS 3 AND LICENSED PHARMACIES IN DRUG SUITS; TO PROVIDE IMMUNITY FOR PROPERTY OWNERS IN PREMISES LIABILITY ACTIONS; TO AMEND SECTION 4 5 11-1-63, MISSISSIPPI CODE OF 1972, TO CLARIFY THE TERMS "SELLER," "PRESCRIBER," AND "DISPENSER" WITH RESPECT TO LIMITING LIABILITY 6 7 FOR DAMAGES ACTIONS AGAINST CERTAIN PRODUCT SELLERS; TO REQUIRE 8 THAT CERTAIN ACTIONS FOR DAMAGES AND OTHER RELIEF AGAINST FIREARMS 9 OR AMMUNITION MANUFACTURERS, DISTRIBUTORS OR SELLERS THEREOF MAY 10 ONLY BE BROUGHT BY THE STATE OR ITS POLITICAL SUBDIVISIONS; TO 11 PROVIDE A LIMITATION ON NONECONOMIC DAMAGES IN ACTIONS AGAINST PARAMEDICS OR EMERGENCY MEDICAL TECHNICIANS; TO PROVIDE AN ASSESSMENT FOR FILING FRIVOLOUS CLAIMS; TO PROHIBIT ADVERTISING IN 12 13 14 MISSISSIPPI TO SOLICIT PROSPECTIVE CLIENTS BY ATTORNEYS NOT 15 ADMITTED TO PRACTICE IN MISSISSIPPI; TO AMEND SECTION 85-5-7, 16 MISSISSIPPI CODE OF 1972, TO REVISE JOINT AND SEVERAL LIABILITY IN CERTAIN CIVIL ACTIONS; <u>TO PROVIDE FOR AN EVIDENTIARY HEARING TO</u> <u>DETERMINE IF A SELLER OF A PRODUCT IS AN INNOCENT SELLER;</u> TO PROVIDE THAT CERTAIN INFORMATION REGARDING A DEFECTIVE PRODUCT, 17 18 19 20 FINANCIAL FRAUD, UNFAIR INSURANCE CLAIMS PRACTICES OR 21 ENVIRONMENTAL HAZARD SHALL BE PRESUMED TO BE PUBLIC INFORMATION; 22 TO ALLOW SUCH INFORMATION TO BE KEPT CONFIDENTIAL BY COURT ORDER; 23 TO DEFINE CERTAIN TERMS; TO AMEND SECTIONS 75-26-5, 75-26-11 AND 24 75-26-15, MISSISSIPPI CODE OF 1972, TO CONFORM TO SUCH PROVISION 25 THAT SUCH INFORMATION IS PRESUMED TO BE PUBLIC; TO LIMIT THE 26 LIABILITY OF THE SPONSOR OR ADVERTISER OF AN EVENT IN THE CASE OF A CIVIL ACTION ARISING OUT OF ACTIVITIES OCCURRING ON THE PREMISES 27 28 OF THE LOCATION WHERE THE EVENT IS HELD OR CONDUCTED, PROVIDED 29 THAT THE SPONSOR OR ADVERTISER DOES NOT EXERCISE CONTROL OVER ANY 30 ASPECT OF THE EVENT OTHER THAN ACTING AS SPONSOR OR ADVERTISER; TO DEFINE THE TERMS "SPONSOR" AND "EVENT"; TO PROVIDE THAT THIS 31 32 LIMITATION OF LIABILITY SHALL NOT EXTEND TO WILLFUL ACTS OR GROSS 33 NEGLIGENCE ON THE PART OF A SPONSOR; TO CREATE NEW SECTION 34 11-7-30, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT CIVIL ACTIONS 35 IN CIRCUIT COURT SHALL NOT BE ASSIGNED TO A JUDGE UNTIL AT LEAST 36 ONE DEFENDANT HAS FILED A RESPONSIVE PLEADING; TO AMEND SECTION 37 11-1-65, MISSISSIPPI CODE OF 1972, TO IMPOSE A LIMITATION ON THE 38 39 AWARD OF PUNITIVE DAMAGES; TO PROHIBIT RECOVERY OF HEDONIC DAMAGES IN CIVIL ACTIONS; TO AMEND SECTION 11-7-13, MISSISSIPPI CODE OF 40 1972, IN CONFORMITY THERETO; AND FOR RELATED PURPOSES. 41

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI: 42 SECTION 1. Section 11-11-3, Mississippi Code of 1972, as 43 amended by House Bill No. 2, Third Extraordinary Session 2002, is 44 45 amended as follows:

11-11-3. (1) Civil actions of which the circuit court has 46 original jurisdiction shall be commenced in the county in which 47 48 the defendant resides or in the county where the cause of action 49 may occur or accrue and, if the defendant is a domestic 50 corporation, in the county in which said corporation is domiciled or in the county where the cause of action may occur or accrue, 51 except where otherwise provided, and except actions of trespass on 52 land, ejectment and actions for the statutory penalty for cutting 53 and boxing trees and firing woods and actions for the actual value 54 of trees cut which shall be brought in the county where the land 55 56 or some part thereof is situated.

Any action against a licensed physician, osteopath, 57 (2) 58 dentist, nurse, nurse practitioner, physician assistant, psychologist, pharmacist, podiatrist, optometrist, chiropractor, 59 institution for the aged or infirm, hospital or licensed pharmacy, 60 including any legal entity which may be liable for their acts or 61 omissions, for malpractice, negligence, error, omission, mistake, 62 63 breach of standard of care or the unauthorized rendering of professional services shall be brought in the county in which the 64 65 alleged act or omission occurred.

66 (3) <u>Any cause of action arising from another state which has</u>
 67 <u>no legal nexus to the State of Mississippi may not be brought in a</u>
 68 <u>state court.</u>

(4) If a civil action is brought in an improper county, such
action may be transferred to the proper county pursuant to Section
11-11-17.

72 SECTION 2. Section 11-1-62, Mississippi Code of 1972, as 73 codified in House Bill No. 2, Third Extraordinary Session 2002, is 74 amended as follows:

11-1-62. In any civil action alleging damages caused by a
prescription drug that has been approved by the federal Food and
Drug Administration, a physician, optometrist, pharmacist,

78 licensed pharmacy, nurse practitioner or physician assistant may

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80 proven, amount to negligence on the part of the medical provider. It is the intent of this section to immunize innocent medical 81 providers listed in this section who are not actively negligent 82 83 from forum-driven lawsuits. SECTION 3. Section 11-1-63, Mississippi Code of 1972, is 84 amended as follows: 85 (1) Notwithstanding the provisions of Section 86 11-1-63. 11-1-62, in any action for damages caused by a product except for 87 commercial damage to the product itself: 88 89 (a) The manufacturer, or seller, dispenser or prescriber of the product shall not be liable if the claimant does 90 not prove by the preponderance of the evidence that at the time 91 the product left the control of the manufacturer, or seller, 92 dispenser or prescriber: 93 (i) 1. The product was defective because it 94 deviated in a material way from the manufacturer's specifications 95 or from otherwise identical units manufactured to the same 96 manufacturing specifications, or 97 98 2. The product was defective because it 99 failed to contain adequate warnings or instructions, or 100 3. The product was designed in a defective 101 manner, or The product breached an express warranty 102 4. 103 or failed to conform to other express factual representations upon which the claimant justifiably relied in electing to use the 104 105 product; and The defective condition rendered the product 106 (ii)unreasonably dangerous to the user or consumer; and 107

not be sued unless the plaintiff pleads specific facts which, if

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(iii) The defective and unreasonably dangerous
condition of the product proximately caused the damages for which
recovery is sought.

(b) A product is not defective in design or formulation if the harm for which the claimant seeks to recover compensatory damages was caused by an inherent characteristic of the product which is a generic aspect of the product that cannot be eliminated without substantially compromising the product's usefulness or desirability and which is recognized by the ordinary person with the ordinary knowledge common to the community.

(c) (i) In any action alleging that a product is 118 defective because it failed to contain adequate warnings or 119 instructions pursuant to paragraph (a)(i)2 of this section, the 120 121 manufacturer, or seller, dispenser or prescriber shall not be liable if the claimant does not prove by the preponderance of the 122 123 evidence that at the time the product left the control of the manufacturer, seller, dispenser or prescriber, the manufacturer or 124 seller, dispenser or prescriber knew or in light of reasonably 125 available knowledge should have known about the danger that caused 126 the damage for which recovery is sought and that the ordinary user 127 128 or consumer would not realize its dangerous condition.

(ii) An adequate product warning or instruction is 129 130 one that a reasonably prudent person in the same or similar circumstances would have provided with respect to the danger and 131 132 that communicates sufficient information on the dangers and safe use of the product, taking into account the characteristics of, 133 and the ordinary knowledge common to an ordinary consumer who 134 135 purchases the product; or in the case of a prescription drug, medical device or other product that is intended to be used only 136 137 under the supervision of a physician or other licensed professional person, taking into account the characteristics of, 138 and the ordinary knowledge common to, a physician or other 139 licensed professional who prescribes the drug, device or other 140 141 product.

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(d) For purposes of this section:

H. B. No. 19 023E/HR03/R64PH PAGE 4 (TB\LH) (i) "Seller" means any person or entity that sells products of any kind.
(ii) "Prescriber" means any person licensed by the
State of Mississippi to prescribe medicine.
(iii) "Dispenser" means any person or entity
licensed as a pharmacist or pharmacy.
(e) In any action alleging that a product is defective

149 <u>(e)</u> In any action alleging that a product is defective 150 pursuant to paragraph (a) of this section, the manufacturer<u>,</u> 151 seller<u>, dispenser or prescriber</u> shall not be liable if the 152 claimant (i) had knowledge of a condition of the product that was 153 inconsistent with his safety; (ii) appreciated the danger in the 154 condition; and (iii) deliberately and voluntarily chose to expose 155 himself to the danger in such a manner to register assent on the 156 continuance of the dangerous condition.

In any action alleging that a product is defective 157 (f) 158 pursuant to paragraph (a)(i)2 of this section, the manufacturer, seller, dispenser or prescriber shall not be liable if the danger 159 160 posed by the product is known or is open and obvious to the user or consumer of the product, or should have been known or open and 161 162 obvious to the user or consumer of the product, taking into account the characteristics of, and the ordinary knowledge common 163 164 to, the persons who ordinarily use or consume the product.

165 (g) In any action alleging that a product is defective 166 because of its design pursuant to paragraph (a)(i)3 of this 167 section, the manufacturer or product seller shall not be liable if 168 the claimant does not prove by the preponderance of the evidence 169 that at the time the product left the control of the manufacturer 170 or seller:

(i) The manufacturer, seller, dispenser or
<u>prescriber</u> knew, or in light of reasonably available knowledge or
in the exercise of reasonable care should have known, about the
danger that caused the damage for which recovery is sought; and

H. B. No. 19 023E/HR03/R64PH PAGE 5 (TB\LH) (ii) The product failed to function as expected and there existed a feasible design alternative that would have to a reasonable probability prevented the harm. A feasible design alternative is a design that would have to a reasonable probability prevented the harm without impairing the utility, usefulness, practicality or desirability of the product to users or consumers.

The manufacturer of a product who is found 182 (h) (i) 183 liable for a defective product pursuant to paragraph (a) shall indemnify a product seller, dispenser or prescriber for the costs 184 185 of litigation, any reasonable expenses, reasonable attorney's fees and any damages awarded by the trier of fact unless the seller, 186 187 dispenser or prescriber exercised substantial control over that aspect of the design, testing, manufacture, packaging or labeling 188 of the product that caused the harm for which recovery of damages 189 is sought; the seller, dispenser or prescriber altered or modified 190 the product, and the alteration or modification was a substantial 191 192 factor in causing the harm for which recovery of damages is sought; the seller, dispenser or prescriber had actual knowledge 193 194 of the defective condition of the product at the time he supplied same; or the seller, dispenser or prescriber made an express 195 196 factual representation about the aspect of the product which 197 caused the harm for which recovery of damages is sought.

(ii) Subparagraph (i) shall not apply unless the
seller has given prompt notice of the suit to the manufacturer
within <u>ninety (90)</u> days of the <u>service</u> of the complaint against
the seller. <u>The provision of this subparagraph shall not conflict</u>
with the Mississippi Rules of Civil Procedure.

203 (i) With respect to manufacturers of drugs or medical
 204 devices, an agent or employee of such manufacturer who directly
 205 participates in or authorizes the commission of a tort, shall be
 206 subject to liability for any individual act of negligence

207 <u>committed by said agent or employee related to said drugs or</u> 208 <u>medical devices within the course and scope of employment.</u> 209 <u>(j) It is the intent of this section to immunize</u> 210 <u>innocent medical providers including pharmacists and licensed</u>

211 pharmacies who are not actively negligent from forum-driven 212 lawsuits.

213 <u>(k)</u> Nothing in this section shall be construed to 214 eliminate any common law defense to an action for damages caused 215 by a product.

216 (2) In a products liability action, an evidentiary hearing
217 may be requested by a product seller within ninety (90) days of
218 the filing of the answer to determine if the seller of the product
219 is an innocent seller. The product seller shall not be liable for
220 any latent defect if the seller is a mere conduit who purchases
221 the product from a reputable manufacturer and shall be dismissed
222 from the action.

The authority to bring an action against any 223 SECTION 4. (1) 224 firearms or ammunition manufacturer, distributor or dealer duly licensed under federal law on behalf of any governmental entity 225 226 created by or pursuant to an act of the Mississippi Legislature or the Mississippi Constitution of 1890, or any department, agency or 227 authority thereof, for damages, abatement, injunctive relief or 228 229 any other relief or remedy resulting from or relating to the lawful design, manufacture, distribution or sale of firearms, 230 231 firearm components, silencers, ammunition or ammunition components to the public, shall be exclusively reserved to the state. 232 This 233 section shall not prohibit a political subdivision from bringing an action against a firearm or ammunition manufacturer, 234 distributor or dealer for breach of contract or warranty as to 235 236 firearms or ammunition purchased by the political subdivision, or for injuries resulting from a firearm malfunction due to defects 237 238 in materials or workmanship.

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(2) This section shall apply to any action brought on orafter passage of this act.

(3) "Political subdivision" and "governmental entity" shallhave the meanings ascribed in Section 11-46-1.

243 SECTION 5. No owner, occupant, lessee or managing agent of property shall be civilly liable for the criminal acts of a third 244 party, unless such owner, occupant, lessee or managing agent knew 245 or, with the exercise of reasonable diligence, should have known 246 of the risk of criminal conduct on or around such property and the 247 failure to take reasonable measures to deter such foreseeable 248 249 conduct is a proximate cause of damages to an individual or 250 entity.

251 <u>SECTION 6.</u> No judgment against any paramedic or emergency 252 medical technician (E.M.T.) who has rendered emergency services to 253 any person shall be subject to any award for noneconomic damages 254 greater than Five Hundred Thousand Dollars (\$500,000.00), unless 255 the injuries sustained by the claimant were the result of 256 intentional acts or gross negligence on the part of the paramedic 257 or emergency medical technician (E.M.T.).

258 SECTION 7. If a party files any pleading in a civil action, 259 which in the opinion of the court is frivolous, the court may 260 impose an assessment of not more than One Thousand Dollars 261 (\$1,000.00) against each attorney of record for the party filing the pleading. Such assessment shall be in addition to any other 262 263 assessments, penalties or sanctions authorized by law or otherwise. The proceeds of any assessment imposed under this 264 265 section shall be paid to the Mississippi Volunteer Lawyers Project, Inc. 266

267 <u>SECTION 8.</u> The Legislature recognizes that attorneys should 268 be licensed by the Mississippi Bar before engaging in any 269 solicitation of clients in this state. Such licensing of 270 attorneys protects the people of Mississippi in that the 271 Mississippi Bar has direct jurisdiction over attorneys licensed by

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The Bar can act against such licensed attorneys in the event 272 it. that such licensed attorneys commit violations of Mississippi law, 273 court rules and rules of ethics for attorneys. The Legislature 274 275 finds that this section is necessary for the protection of the 276 people of Mississippi. An attorney who is not admitted to the 277 Mississippi Bar shall not advertise his legal services in this state for the purpose of soliciting prospective clients for the 278 commencing of any civil action in this state, or for the purpose 279 280 of soliciting clients for any civil action already commenced or pending in this state, unless the attorney who is not a member of 281 282 the Mississippi Bar has associated an attorney who (a) is a member of the Mississippi Bar; and (b) will be associated and actively 283 284 working on substantial aspects in any civil action filed on behalf of a client solicited as a result of the advertisement. A law 285 firm composed of both attorneys who are members of the Mississippi 286 Bar and attorneys who are not members of the Mississippi Bar may 287 advertise in this state if a majority of the members of the firm 288 289 are members of the Mississippi Bar. For purposes of this section, a listing in the residential or business section of the white 290 291 pages of a telephone book shall not be an advertisement.

292 **SECTION <u>9.</u>** Section 85-5-7, Mississippi Code of 1972, as 293 amended by House Bill No. 2, Third Extraordinary Session 2002, is 294 amended as follows:

85-5-7. (1) As used in this section "fault" means an act or 295 296 omission of a person which is a proximate cause of injury or death to another person or persons, damages to property, tangible or 297 298 intangible, or economic injury, including, but not limited to, negligence, malpractice, strict liability, absolute liability or 299 failure to warn. "Fault" shall not include any tort which results 300 301 from an act or omission committed with a specific wrongful intent. Except as may be otherwise provided in subsections (6) 302 (2) 303 and (8) of this section, in any civil action based on fault, the 304 liability for damages caused by two (2) or more persons shall be 19 H. B. No.

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308 (3) Except as otherwise provided in subsections (2), (6) and 309 (8) of this section, in any civil action based on fault, the 310 liability for damages caused by two (2) or more persons shall be several only, and not joint and several and a joint tort-feasor 311 shall be liable only for the amount of damages allocated to him in 312 313 direct proportion to his percentage of fault. In assessing percentages of fault an employer and the employer's employee or a 314 315 principal and the principal's agent shall be considered as one (1) defendant when the liability of such employer or principal has 316 317 been caused by the wrongful or negligent act or omission of the employee or agent. 318

(4) Any defendant held jointly liable under this section
shall have a right of contribution against fellow joint
tort-feasors. A defendant shall be held responsible for
contribution to other joint tort-feasors only for the percentage
of fault assessed to such defendant.

324 (5) Nothing in this section shall eliminate or diminish any
 325 defenses or immunities which currently exist, except as expressly
 326 noted herein.

327 (6) Joint and several liability shall be imposed on all who
328 consciously and deliberately pursue a common plan or design to
329 commit a tortious act, or actively take part in it. Any person
330 held jointly and severally liable under this section shall have a
331 right of contribution from his fellow defendants acting in
332 concert.

(7) In actions involving joint tort-feasors, the trier of
 fact shall determine the percentage of fault for each party
 alleged to be at fault.

336 (8) Except as provided in subsection (6) of this section, in
 337 any action <u>involving</u> joint tort-feasors, the trier of fact shall

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determine the percentage of fault for each joint tort-feasor, 338 339 including named parties and absent tort-feasors, without regard to 340 whether the joint tort-feasor is immune from damages. For 341 noneconomic damages, a defendant's liability shall be several 342 only. For economic damages, for any defendant whose fault is 343 determined to be less than thirty percent (30%), liability shall be several only and for any defendant whose fault is determined to 344 be thirty percent (30%) or more, liability shall be joint and 345 several only to the extent necessary for the person suffering 346 injury, death or loss to recover fifty percent (50%) of his 347 348 recoverable damages. Fault allocated under this subsection to an immune tort-feasor or a tort-feasor whose liability is limited by 349 350 law shall not be reallocated to any other tort-feasor.

(9) Nothing in this section shall be construed to create a
cause of action. Nothing in this section shall be construed, in
any way, to alter the immunity of any person.

Notwithstanding any other provisions of law to the contrary, the doctrine of joint and several liability shall not be limited as to tortious conduct by a defendant which injures the health or safety of Mississippi residents by manufacture or distribution of a drug or defective or dangerous substance causing injury to Mississippi residents or which constitutes fraud.

360 **SECTION 10.** (1) Notwithstanding any other provision of law, in an action based upon injury, wrongful death, or financial loss 361 362 allegedly caused by a defective product, financial fraud, unfair insurance claims practice or environmental hazard, other than any 363 364 action classified by a court as a mass tort action, information concerning the defective product, financial fraud, unfair 365 insurance claims practice or environmental hazard, which is 366 367 contained in a settlement agreement pertaining to the action and 368 not filed with the court shall be presumed to be public 369 information and may not be kept confidential pursuant to agreement 370 This information may be kept confidential for a of the parties.

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(2) As used in this section:

(a) "Defective product" means a product that may be
defective because of a defect in manufacturing or design or a
failure to adequately warn the consumer of a hazard involved in
the foreseeable use of the product, where the defect may result in
personal injury to one or more persons.

379 (b) "Financial fraud" means any fraudulent insurance 380 practice or any fraudulent plan or scheme to sell a publicly 381 offered investment product without full disclosure of the risks 382 associated with the purchase if the product, where the plan or 383 scheme may cause or has caused financial loss.

(c) "Environmental hazard" means a release or threatened release of a hazardous substance that poses a threat to public health or safety involving present or future danger of death, bodily injury or health disability to human beings exposed to a hazardous substance release or threatened release.

389 SECTION <u>11.</u> Section 75-26-5, Mississippi Code of 1972, is 390 amended as follows:

75-26-5. (1) Except as provided in Section 9 of House Bill 391 392 No. 19, Third Extraordinary Session 2002, actual or threatened misappropriation may be enjoined. Upon application to the court, 393 an injunction shall be terminated when the trade secret has ceased 394 395 to exist, but the injunction may be continued for an additional reasonable period of time in order to eliminate commercial 396 397 advantage that otherwise would be derived from the 398 misappropriation.

399 (2) In exceptional circumstances, an injunction may
400 condition future use upon payment of a reasonable royalty for no
401 longer than the period of time for which use could have been
402 prohibited. Exceptional circumstances include, but are not
403 limited to, a material and prejudicial change of position prior to

H. B. No. 19 023E/HR03/R64PH PAGE 12 (TB\LH) 404 acquiring knowledge or reason to know of misappropriation that 405 renders a prohibitive injunction inequitable.

406 (3) In appropriate circumstances, affirmative acts to407 protect a trade secret may be compelled by court order.

408 **SECTION** <u>12.</u> Section 75-26-11, Mississippi Code of 1972, is 409 amended as follows:

410 Except as provided in Section 9 of House 75-26-11. Bill No. 19, Third Extraordinary Session 2002, in an action under 411 412 this chapter, a court shall preserve the secrecy of an alleged trade secret by reasonable means, which may include granting 413 414 protective orders in connection with discovery proceedings, holding in-camera hearings, sealing the records of the action and 415 416 ordering any person involved in the litigation not to disclose an 417 alleged trade secret without prior court approval.

418 **SECTION <u>13.</u>** Section 75-26-15, Mississippi Code of 1972, is 419 amended as follows:

420 75-26-15. (1) Except as provided in subsection (2), this 421 chapter displaces conflicting tort, restitutionary and other law 422 of this state providing civil remedies for misappropriation of a 423 trade secret.

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(2) This chapter does not affect:

425 (a) Contractual remedies, whether or not based upon426 misappropriation of a trade secret;

427 (b) Other civil remedies that are not based upon428 misappropriation of a trade secret; or

429 (c) Criminal remedies, whether or not based upon
430 misappropriation of a trade secret;

431 (d) The provisions of Section 9 of House Bill No. 19,
432 Third Extraordinary Session 2002.

433 <u>SECTION 14.</u> For purposes of Sections 13 and 14 of this act, 434 the following words and phrases shall have the meanings ascribed 435 in this section unless the context clearly indicates otherwise: (a) "Sponsor or advertiser" means any person,
corporation or legal entity which, solely for charitable purposes,
(i) sells, rents, manufactures or provides products, equipment or
promotional materials, or (ii) donates or contributes money or
fees, in order that an event may be held or conducted.

(b) "Event" means a concert, benefit, fund-raiser,
auction or other occasion at which entertainment, food and
beverages are provided to persons.

444 <u>SECTION 15.</u> (1) Any sponsor or advertiser of an event, 445 which does not exercise control over any aspect of the event other 446 than acting as a sponsor or advertiser, shall be immune from 447 liability for any civil action arising out of activities occurring 448 on the premises of the location where the event is held or 449 conducted.

(2) No sponsor or advertiser shall be liable to a person who may lawfully consume any intoxicating beverage for any injury suffered by such person, or by any other person, off the premises of the event, including wrongful death and property damage, because of the intoxication of the person to whom the intoxicating beverages were served or furnished when on the premises of the event.

(3) This section shall not extend immunity to willful acts or gross negligence on the part of a sponsor or advertiser; however, the sponsor or advertiser shall not be considered to be a part of a joint venture or the principal of an agent, with regard to any other person, corporation or legal entity which is participating in the event in any capacity other than that of sponsor or advertiser.

464 **SECTION** <u>16.</u> The following shall be codified as Section 465 11-7-30, Mississippi Code of 1972:

466 <u>11-7-30.</u> Civil actions in circuit court shall not be 467 assigned to a judge until at least one (1) defendant has filed a 468 responsive pleading.

H. B. No. 19 023E/HR03/R64PH PAGE 14 (TB\LH) 469 SECTION <u>17.</u> Section 11-1-65, Mississippi Code of 1972, is 470 amended as follows:

471 11-1-65. (1) In any action in which punitive damages are 472 sought:

(a) Punitive damages may not be awarded if the claimant
does not prove by clear and convincing evidence that the defendant
against whom punitive damages are sought acted with actual malice,
gross negligence which evidences a willful, wanton or reckless
disregard for the safety of others, or committed actual fraud.

(b) In any action in which the claimant seeks an award
of punitive damages, the trier of fact shall first determine
whether compensatory damages are to be awarded and in what amount,
before addressing any issues related to punitive damages.

(c) If, but only if, an award of compensatory damages
has been made against a party, the court shall promptly commence
an evidentiary hearing before the same trier of fact to determine
whether punitive damages may be considered.

(d) The court shall determine whether the issue of
punitive damages may be submitted to the trier of fact; and, if
so, the trier of fact shall determine whether to award punitive
damages and in what amount.

490 (e) In all cases involving an award of punitive 491 damages, the fact finder, in determining the amount of punitive damages, shall consider, to the extent relevant, the following: 492 493 the defendant's financial condition and net worth; the nature and reprehensibility of the defendant's wrongdoing, for example, the 494 impact of the defendant's conduct on the plaintiff, or the 495 relationship of the defendant to the plaintiff; the defendant's 496 awareness of the amount of harm being caused and the defendant's 497 498 motivation in causing such harm; the duration of the defendant's misconduct and whether the defendant attempted to conceal such 499 500 misconduct; and any other circumstances shown by the evidence that 501 bear on determining a proper amount of punitive damages. The

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trier of fact shall be instructed that the primary purpose of 502 503 punitive damages is to punish the wrongdoer and deter similar misconduct in the future by the defendant and others while the 504 505 purpose of compensatory damages is to make the plaintiff whole. 506 (f) (i) Before entering judgment for an award of punitive damages the trial court shall ascertain that the award is 507 508 reasonable in its amount and rationally related to the purpose to punish what occurred giving rise to the award and to deter its 509 repetition by the defendant and others. 510 511 (ii) In determining whether the award is 512 excessive, the court shall take into consideration the following 513 factors: Whether there is a reasonable relationship 514 1. between the punitive damage award and the harm likely to result 515 from the defendant's conduct as well as the harm that actually 516 517 occurred; 2. The degree of reprehensibility of the 518 519 defendant's conduct, the duration of that conduct, the defendant's awareness, any concealment, and the existence and frequency of 520 521 similar past conduct; The financial condition and net worth of 522 3. 523 the defendant; and In mitigation, the imposition of criminal 524 4. sanctions on the defendant for its conduct and the existence of 525 526 other civil awards against the defendant for the same conduct. The seller of a product other than the manufacturer 527 (2) 528 shall not be liable for punitive damages unless the seller exercised substantial control over that aspect of the design, 529 testing, manufacture, packaging or labeling of the product that 530 caused the harm for which recovery of damages is sought; the 531 seller altered or modified the product, and the alteration or 532 533 modification was a substantial factor in causing the harm for which recovery of damages is sought; the seller had actual 534 H. B. No. 19

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knowledge of the defective condition of the product at the time he 535 536 supplied same; or the seller made an express factual representation about the aspect of the product which caused the 537 538 harm for which recovery of damages is sought. 539 (3) In a civil action against a business where an 540 entitlement to punitive damages shall have been established under applicable laws, no award of punitive damages shall exceed four 541 percent (4%) of the net worth of the business, as such amount 542 543 shall be determined in accordance with Generally Accepted Accounting Principles, unless the finder of fact and court find by 544 545 clear and convincing evidence that the defendant acted with criminal intent to cause serious physical bodily injury. This 546 547 restriction shall not be disclosed to the trier of fact, but shall be applied by the court to any punitive damages verdict. The 548 limitations in damages to civil actions seeking punitive damages 549 550 as provided for in this subsection shall not apply to civil actions seeking punitive damages for breach of fiduciary duty in 551 552 actions against businesses while engaged in core business activities of money management, providing legal or accounting 553 554 services, stock or bond brokerage, management of retirement accounts or for those engaged in conduct constituting a crime or 555 556 for those engaged in conduct which constitutes abuse, exploitation 557 or willful neglect of a vulnerable adult, as those terms are defined in the Mississippi Vulnerable Adult Act. 558 559 (4) Nothing herein shall be construed as creating a right to an award of punitive damages or to limit the duty of the court, or 560 561 the appellate courts, to scrutinize all punitive damage awards, ensure that all punitive damage awards comply with applicable 562 procedural, evidentiary and constitutional requirements, and to 563 564 order additur or remittitur where appropriate. (5) Subsections (1) and (2) of Section 11-1-65 shall not 565 566 apply to: 567 (a) Contracts; H. B. No. 19

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(b) Libel and slander; or

569 (c) Causes of action for persons and property arising 570 out of asbestos.

571 SECTION 18. (1)In any civil action there may be a recovery 572 for pain and suffering and loss of enjoyment of life. However, there shall be no recovery for loss of enjoyment of life as a 573 574 separate element of damages apart from pain and suffering damages, and there shall be no instruction given to the jury which 575 separates loss of enjoyment of life from pain and suffering. 576 The determination of the existence and extent of recovery for pain and 577 578 suffering and loss of enjoyment of life shall be a question for the finder of fact, subject to appellate review, and shall not be 579 made the subject of expert testimony. 580

581 (2) In any wrongful death action, there shall be no recovery582 for loss of enjoyment of life caused by death.

583 **SECTION** <u>19.</u> Section 11-7-13, Mississippi Code of 1972, is 584 amended as follows:

585 11-7-13. Whenever the death of any person shall be caused by any real, wrongful or negligent act or omission, or by such unsafe 586 587 machinery, way or appliances as would, if death had not ensued, 588 have entitled the party injured or damaged thereby to maintain an 589 action and recover damages in respect thereof, or whenever the death of any person shall be caused by the breach of any warranty, 590 express or implied, of the purity or fitness of any foods, drugs, 591 592 medicines, beverages, tobacco or any and all other articles or 593 commodities intended for human consumption, as would, had the death not ensued, have entitled the person injured or made ill or 594 595 damaged thereby, to maintain an action and recover damages in 596 respect thereof, and such deceased person shall have left a widow 597 or children or both, or husband or father or mother, or sister, or brother, the person or corporation, or both that would have been 598 599 liable if death had not ensued, and the representatives of such 600 person shall be liable for damages, notwithstanding the death, and

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the fact that death was instantaneous shall in no case affect the 601 602 right of recovery. The action for such damages may be brought in the name of the personal representative of the deceased person for 603 604 the benefit of all persons entitled under the law to recover, or 605 by widow for the death of her husband, or by the husband for the death of the wife, or by the parent for the death of a child, or 606 607 in the name of a child, or in the name of a child for the death of 608 a parent, or by a brother for the death of a sister, or by a sister for the death of a brother, or by a sister for the death of 609 a sister, or a brother for the death of a brother, or all parties 610 611 interested may join in the suit, and there shall be but one (1) suit for the same death which shall ensue for the benefit of all 612 parties concerned, but the determination of such suit shall not 613 bar another action unless it be decided on its merits. 614 Except as otherwise provided in Section 17 of this act, in such action the 615 party or parties suing shall recover such damages allowable by law 616 as the jury may determine to be just, taking into consideration 617 618 all the damages of every kind to the decedent and all damages of every kind to any and all parties interested in the suit. 619

This section shall apply to all personal injuries of servants and employees received in the service or business of the master or employer, where such injuries result in death, and to all deaths caused by breach of warranty, either express or implied, of the purity and fitness of foods, drugs, medicines, beverages, tobacco or other articles or commodities intended for human consumption.

Any person entitled to bring a wrongful death action may assert or maintain a claim for any breach of expressed warranty or for any breach of implied warranty. A wrongful death action may be maintained or asserted for strict liability in tort or for any cause of action known to the law for which any person, corporation, legal representative or entity would be liable for damages if death had not ensued.

H. B. No. 19 023E/HR03/R64PH PAGE 19 (TB\LH) In an action brought pursuant to the provisions of this 633 section by the widow, husband, child, father, mother, sister or 634 brother of the deceased, or by all interested parties, such party 635 636 or parties may recover as damages property damages and funeral, 637 medical or other related expenses incurred by or for the deceased 638 as a result of such wrongful or negligent act or omission or breach of warranty, whether an estate has been opened or not. Any 639 640 amount, but only such an amount, as may be recovered for property damage, funeral, medical or other related expenses shall be 641 subject only to the payment of the debts or liabilities of the 642 643 deceased for property damages, funeral, medical or other related 644 expenses. All other damages recovered under the provisions of this section shall not be subject to the payment of the debts or 645 646 liabilities of the deceased, except as hereinafter provided, and such damages shall be distributed as follows: 647

Damages for the injury and death of a married man shall be 648 equally distributed to his wife and children, and if he has no 649 650 children all shall go to his wife; damages for the injury and 651 death of a married woman shall be equally distributed to the 652 husband and children, and if she has no children all shall go to 653 the husband; and if the deceased has no husband or wife, the 654 damages shall be equally distributed to the children; if the deceased has no husband, nor wife, nor children, the damages shall 655 be distributed equally to the father, mother, brothers and 656 657 sisters, or such of them as the deceased may have living at his or 658 her death. If the deceased have neither husband, nor wife, nor children, nor father, nor mother, nor sister, nor brother, then 659 660 the damages shall go to the legal representative, subject to debts and general distribution, and the fact that the deceased was 661 662 instantly killed shall not affect the right of the legal representative to recover. All references in this section to 663 664 children shall include descendants of a deceased child, such 665 descendants to take the share of the deceased child by

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representation. There shall not be, in any case, a distinction 666 between the kindred of the whole and half blood of equal degree. 667 The provisions of this section shall apply to illegitimate 668 669 children on account of the death of the mother and to the mother 670 on account of the death of an illegitimate child or children, and they shall have all the benefits, rights and remedies conferred by 671 672 this section on legitimates. The provisions of this section shall apply to illegitimate children on account of the death of the 673 natural father and to the natural father on account of the death 674 of the illegitimate child or children, and they shall have all the 675 676 benefits, rights and remedies conferred by this section on 677 legitimates, if the survivor has or establishes the right to inherit from the deceased under Section 91-1-15. 678

Any rights which a blood parent or parents may have under this section are hereby conferred upon and vested in an adopting parent or adopting parents surviving their deceased adopted child, just as if the child were theirs by the full blood and had been born to the adopting parents in lawful wedlock.

684 **SECTION** <u>20.</u> If any provision of this act is held by a court 685 to be invalid, such invalidity shall not affect the remaining 686 provisions of this act, and to this end the provisions of this act 687 are declared severable.

SECTION <u>21.</u> The provisions of Section 16 of this act shall take effect and be in force from and after January 1, 2003, and shall apply only to causes of action occurring on or after that date. The provisions of all other sections of this act shall take effect and be in force from and after passage of this act, and shall apply only to causes of action occurring on or after that date.