## \*\*\*Withdrawn\*\*\* AMENDMENT No. 8 PROPOSED TO

## House Bill NO. 11

## By Representative(s) Snowden

- 1 AMEND by striking lines 121 through 249 and inserting the
- 2 following in lieu thereof:
- 3 **SECTION 7.** The following shall be codified as Section
- 4 11-1-64, Mississippi Code of 1972:
- 5 <u>11-1-64.</u> (1) In any civil action alleging damages caused by
- 6 a product, a product seller other than a manufacturer shall not be
- 7 liable for a latent defect if the seller is a mere conduit who
- 8 purchased the product from a reputable manufacturer. It is the
- 9 intent of this section to insulate innocent sellers who are not
- 10 actively negligent from forum-driven lawsuits.
- 11 (2) A product seller shall not be considered to have failed
- 12 to exercise reasonable care with respect to a product, based upon
- 13 an alleged failure to inspect the product, if there was no
- 14 reasonable opportunity to inspect the product; or the inspection,
- in the exercise of reasonable care, would not have revealed that
- 16 the product was defective.
- 17 (3) Nothing in this section shall be construed to eliminate
- 18 any common law defense to an action for damages caused by a
- 19 product.
- SECTION 8. Section 11-1-63, Mississippi Code of 1972, is
- 21 amended as follows:
- 22 11-1-63. In any action for damages caused by a product
- 23 except for commercial damage to the product itself:

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(a) Subject to the provisions of Section 11-1-64, the
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    manufacturer or seller of the product shall not be liable if the
    claimant does not prove by the preponderance of the evidence that
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    at the time the product left the control of the manufacturer or
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    seller:
                        1.
                    (i)
                            The product was defective because it
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    deviated in a material way from the manufacturer's specifications
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    or from otherwise identical units manufactured to the same
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    manufacturing specifications, or
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                        2.
                            The product was defective because it
    failed to contain adequate warnings or instructions, or
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                            The product was designed in a defective
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                         3.
    manner, or
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                             The product breached an express warranty
                         4.
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    or failed to conform to other express factual representations upon
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    which the claimant justifiably relied in electing to use the
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    product; and
                    (ii) The defective condition rendered the product
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    unreasonably dangerous to the user or consumer; and
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                    (iii) The defective and unreasonably dangerous
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    condition of the product proximately caused the damages for which
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    recovery is sought.
                   A product is not defective in design or formulation
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    if the harm for which the claimant seeks to recover compensatory
    damages was caused by an inherent characteristic of the product
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    which is a generic aspect of the product that cannot be eliminated
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    without substantially compromising the product's usefulness or
    desirability and which is recognized by the ordinary person with
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    the ordinary knowledge common to the community.
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                        In any action alleging that a product is
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                   (i)
    defective because it failed to contain adequate warnings or
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    instructions pursuant to paragraph (a)(i)2 of this section, the
    manufacturer or seller shall not be liable if the claimant does
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    not prove by the preponderance of the evidence that at the time
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the product left the control of the manufacturer or seller, the

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59 manufacturer or seller knew or in light of reasonably available
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- 60 knowledge should have known about the danger that caused the
- 61 damage for which recovery is sought and that the ordinary user or
- 62 consumer would not realize its dangerous condition.
- (ii) An adequate product warning or instruction is
- one that a reasonably prudent person in the same or similar
- 65 circumstances would have provided with respect to the danger and
- 66 that communicates sufficient information on the dangers and safe
- 67 use of the product, taking into account the characteristics of,
- 68 and the ordinary knowledge common to an ordinary consumer who
- 69 purchases the product; or in the case of a prescription drug,
- 70 medical device or other product that is intended to be used only
- 71 under the supervision of a physician or other licensed
- 72 professional person, taking into account the characteristics of,
- 73 and the ordinary knowledge common to, a physician or other
- 74 licensed professional who prescribes the drug, device or other
- 75 product.
- 76 (d) In any action alleging that a product is defective
- 77 pursuant to paragraph (a) of this section, the manufacturer or
- 78 seller shall not be liable if the claimant (i) had knowledge of a
- 79 condition of the product that was inconsistent with his safety;
- 80 (ii) appreciated the danger in the condition; and (iii)
- 81 deliberately and voluntarily chose to expose himself to the danger
- 82 in such a manner to register assent on the continuance of the
- 83 dangerous condition.
- 84 (e) In any action alleging that a product is defective
- 85 pursuant to paragraph (a)(i)2 of this section, the manufacturer or
- 86 seller shall not be liable if the danger posed by the product is
- 87 known or is open and obvious to the user or consumer of the
- 88 product, or should have been known or open and obvious to the user
- 89 or consumer of the product, taking into account the
- 90 characteristics of, and the ordinary knowledge common to, the
- 91 persons who ordinarily use or consume the product.
- 92 (f) In any action alleging that a product is defective
- 93 because of its design pursuant to paragraph (a)(i)3 of this

- 94 section, the manufacturer or product seller shall not be liable if
- 95 the claimant does not prove by the preponderance of the evidence
- 96 that at the time the product left the control of the manufacturer
- 97 or seller:
- 98 (i) The manufacturer or seller knew, or in light
- 99 of reasonably available knowledge or in the exercise of reasonable
- 100 care should have known, about the danger that caused the damage
- 101 for which recovery is sought; and
- 102 (ii) The product failed to function as expected
- 103 and there existed a feasible design alternative that would have to
- 104 a reasonable probability prevented the harm. A feasible design
- 105 alternative is a design that would have to a reasonable
- 106 probability prevented the harm without impairing the utility,
- 107 usefulness, practicality or desirability of the product to users
- 108 or consumers.
- 109 (g) (i) The manufacturer of a product who is found
- 110 liable for a defective product pursuant to paragraph (a) shall
- 111 indemnify a product seller for the costs of litigation, any
- 112 reasonable expenses, reasonable attorney's fees and any damages
- 113 awarded by the trier of fact unless the seller exercised
- 114 substantial control over that aspect of the design, testing,
- 115 manufacture, packaging or labeling of the product that caused the
- 116 harm for which recovery of damages is sought; the seller altered
- 117 or modified the product, and the alteration or modification was a
- 118 substantial factor in causing the harm for which recovery of
- 119 damages is sought; the seller had actual knowledge of the
- 120 defective condition of the product at the time he supplied same;
- 121 or the seller made an express factual representation about the
- 122 aspect of the product which caused the harm for which recovery of
- 123 damages is sought.
- 124 (ii) Subparagraph (i) shall not apply unless the
- 125 seller has given prompt notice of the suit to the manufacturer
- 126 within thirty (30) days of the filing of the complaint against the
- 127 seller.
- 128 (h) Nothing in this section shall be construed to

- 129 eliminate any common law defense to an action for damages caused
- 130 by a product.
- 131 **AMEND FURTHER** by renumbering succeeding sections.
- 132 AMEND FURTHER, the title, by deleting the language beginning
- on line 5 after the semicolon through the semicolon on line 6 and
- 134 inserting the following in lieu thereof: "TO CREATE NEW SECTION
- 135 11-1-64, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT A PRODUCT
- 136 SELLER OTHER THAN A MANUFACTURER SHALL NOT BE LIABLE FOR A LATENT
- 137 DEFECT IF THE SELLER IS A MERE CONDUIT WHO PURCHASED THE PRODUCT
- 138 FROM A REPUTABLE MANUFACTURER; TO AMEND SECTION 11-1-63,
- 139 MISSISSIPPI CODE OF 1972, IN CONFORMITY THERETO;"