To: Judiciary, Division A

By: Senator(s) Ross, Albritton, Brown, Burton, Chaney, Chassaniol, Clarke, Davis, Fillingane, Hewes, Jackson (15th), King, Kirby, Lee (35th), Michel, Morgan

## SENATE BILL NO. 2021

AN ACT TO AMEND SECTION 11-1-63, MISSISSIPPI CODE OF 1972, TO 1 LIMIT SUITS BASED ON INJURIES THAT ARISE OUT OF THE USE OF A 2 3 PRODUCT TO PROVIDE AN EXCLUSIVE REMEDY; AND FOR RELATED PURPOSES. 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI: 5 SECTION 1. Section 11-1-63, Mississippi Code of 1972, is amended as follows: 6 7 11-1-63. \* \* \* (1) In any action for damages caused by a 8 product except for commercial damage to the product itself: 9 (a) The manufacturer or seller of the product shall not be liable if the claimant does not prove by the preponderance of 10 11 the evidence that at the time the product left the control of the manufacturer or seller: 12 (i) 1. The product was defective because it 13 14 deviated in a material way from the manufacturer's specifications 15 or from otherwise identical units manufactured to the same manufacturing specifications, or 16 The product was defective because it 17 2. failed to contain adequate warnings or instructions, or 18 The product was designed in a defective 19 3. manner, or 20 4. The product breached an express warranty 21 2.2 or failed to conform to other express factual representations upon which the claimant justifiably relied in electing to use the 23 24 product; and 25 (ii) The defective condition rendered the product 26 unreasonably dangerous to the user or consumer; and

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

30 (b) A product is not defective in design or formulation 31 if the harm for which the claimant seeks to recover compensatory 32 damages was caused by an inherent characteristic of the product 33 which is a generic aspect of the product that cannot be eliminated 34 without substantially compromising the product's usefulness or 35 desirability and which is recognized by the ordinary person with 36 the ordinary knowledge common to the community.

37 (i) In any action alleging that a product is (C) 38 defective because it failed to contain adequate warnings or instructions pursuant to paragraph (a)(i)2 of this subsection, the 39 40 manufacturer or seller shall not be liable if the claimant does not prove by the preponderance of the evidence that at the time 41 42 the product left the control of the manufacturer or seller, the 43 manufacturer or seller knew or in light of reasonably available 44 knowledge should have known about the danger that caused the 45 damage for which recovery is sought and that the ordinary user or 46 consumer would not realize its dangerous condition.

47 (ii) An adequate product warning or instruction is 48 one that a reasonably prudent person in the same or similar 49 circumstances would have provided with respect to the danger and 50 that communicates sufficient information on the dangers and safe 51 use of the product, taking into account the characteristics of, 52 and the ordinary knowledge common to an ordinary consumer who 53 purchases the product; or in the case of a prescription drug, medical device or other product that is intended to be used only 54 under the supervision of a physician or other licensed 55 56 professional person, taking into account the characteristics of, 57 and the ordinary knowledge common to, a physician or other 58 licensed professional who prescribes the drug, device or other 59 product.

S. B. No. 2021 \* SS01/ R184\* 07/SS01/R184 PAGE 2 60 In any action alleging that a product is defective (d) 61 pursuant to paragraph (a) of this subsection, the manufacturer or 62 seller shall not be liable if the claimant (i) had knowledge of a 63 condition of the product that was inconsistent with his safety; 64 (ii) appreciated the danger in the condition; and (iii) deliberately and voluntarily chose to expose himself to the danger 65 66 in such a manner to register assent on the continuance of the 67 dangerous condition.

In any action alleging that a product is defective 68 (e) 69 pursuant to paragraph (a)(i)2 of this subsection, the manufacturer 70 or seller shall not be liable if the danger posed by the product 71 is known or is open and obvious to the user or consumer of the 72 product, or should have been known or open and obvious to the user 73 or consumer of the product, taking into account the 74 characteristics of, and the ordinary knowledge common to, the 75 persons who ordinarily use or consume the product.

(f) In any action alleging that a product is defective because of its design pursuant to paragraph (a)(i)3 of this <u>subsection</u>, the manufacturer or product seller shall not be liable if the claimant does not prove by the preponderance of the evidence that at the time the product left the control of the manufacturer or seller:

(i) The manufacturer or seller 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

86 (ii) The product failed to function as expected and there existed a feasible design alternative that would have to 87 88 a reasonable probability prevented the harm. A feasible design 89 alternative is a design that would have to a reasonable probability prevented the harm without impairing the utility, 90 91 usefulness, practicality or desirability of the product to users or consumers. 92 \* SS01/ R184\* S. B. No. 2021

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(g) (i) The manufacturer of a product who is found 93 94 liable for a defective product pursuant to paragraph (a) shall indemnify a product seller for the costs of litigation, any 95 96 reasonable expenses, reasonable attorney's fees and any damages 97 awarded by the trier of fact unless the seller exercised 98 substantial control over that aspect of the design, testing, manufacture, packaging or labeling of the product that caused the 99 harm for which recovery of damages is sought; the seller altered 100 101 or modified the product, and the alteration or modification was a 102 substantial factor in causing the harm for which recovery of 103 damages is sought; the seller had actual knowledge of the 104 defective condition of the product at the time he supplied same; 105 or the seller made an express factual representation about the 106 aspect of the product which caused the harm for which recovery of 107 damages is sought.

(ii) Subparagraph (i) shall not apply unless the seller has given prompt notice of the suit to the manufacturer within ninety (90) days of the service of the complaint against the seller.

112 In any action alleging that a product is defective (h) 113 pursuant to paragraph (a) of this subsection, the seller of a 114 product other than the manufacturer shall not be liable unless the 115 seller exercised substantial control over that aspect of the 116 design, testing, manufacture, packaging or labeling of the product that caused the harm for which recovery of damages is sought; or 117 118 the seller altered or modified the product, and the alteration or modification was a substantial factor in causing the harm for 119 120 which recovery of damages is sought; or the seller had actual or constructive knowledge of the defective condition of the product 121 122 at the time he supplied the product. It is the intent of this 123 section to immunize innocent sellers who are not actively 124 negligent, but instead are mere conduits of a product.

S. B. No. 2021 \* SS01/ R184\* 07/SS01/R184 PAGE 4 (i) Nothing in this section shall be construed to
eliminate any common law defense to an action for damages caused
by a product.
(2) For the purposes of this section, "any action for

129 damages" means any action against a manufacturer or seller for recovery of damages arising out of personal injury, death or 130 property damage allegedly caused by a defective product whether 131 the action is based in strict tort liability, strict products 132 liability, negligence, fraudulent misrepresentation, negligent 133 misrepresentation, deceptive advertising, conspiracy to defraud, 134 135 breach of express or implied warranty, or any other theory or combination of theories. 136 137 SECTION 2. This act shall apply to all causes of action filed or pending on or after the effective date of Senate Bill No. 138 \_\_\_\_, 2007 Regular Session. 139 SECTION 3. This act shall take effect and be in force from 140

140 **SECTION 3.** This act shall take effect and be in force 141 and after its passage.