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 (As Passed the Senate)

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: SECTION 1. Section 11-1-63, Mississippi Code of 1972, is 5 amended as follows: 6 7 11-1-63. * * * Regardless of the title of a legal theory upon which a cause of action is based, in any action for damages 8 9 caused by a product except for commercial damage to the product itself: 10 11 (a) The manufacturer or seller of the product shall not be liable if the claimant does not prove by the preponderance of 12 13 the evidence that at the time the product left the control of the manufacturer or seller: 14 (i) 1. The product was defective because it 15 deviated in a material way from the manufacturer's specifications 16 or from otherwise identical units manufactured to the same 17 manufacturing specifications, or 18 2. The product was defective because it 19 20 failed to contain adequate warnings or instructions, or The product was designed in a defective 21 3. 2.2 manner, or The product breached an express warranty 23 4. 24 or failed to conform to other express factual representations upon 25 which the claimant justifiably relied in electing to use the 26 product; and

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(ii) The defective condition rendered the productunreasonably 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.

32 (b) A product is not defective in design or formulation 33 if the harm for which the claimant seeks to recover compensatory 34 damages was caused by an inherent characteristic of the product 35 which is a generic aspect of the product that cannot be eliminated 36 without substantially compromising the product's usefulness or 37 desirability and which is recognized by the ordinary person with 38 the ordinary knowledge common to the community.

(c) (i) In any action alleging that a product is 39 40 defective because it failed to contain adequate warnings or 41 instructions pursuant to paragraph (a)(i)2 of this subsection, the 42 manufacturer or seller shall not be liable if the claimant does 43 not prove by the preponderance of the evidence that at the time the product left the control of the manufacturer or seller, the 44 45 manufacturer or seller knew or in light of reasonably available knowledge should have known about the danger that caused the 46 47 damage for which recovery is sought and that the ordinary user or 48 consumer would not realize its dangerous condition.

49 (ii) An adequate product warning or instruction is 50 one that a reasonably prudent person in the same or similar 51 circumstances would have provided with respect to the danger and that communicates sufficient information on the dangers and safe 52 53 use of the product, taking into account the characteristics of, and the ordinary knowledge common to an ordinary consumer who 54 55 purchases the product; or in the case of a prescription drug, 56 medical device or other product that is intended to be used only under the supervision of a physician or other licensed 57 58 professional person, taking into account the characteristics of, 59 and the ordinary knowledge common to, a physician or other * SS01/ R184PS*

S. B. No. 2021 07/SS01/R184PS PAGE 2 60 licensed professional who prescribes the drug, device or other 61 product.

In any action alleging that a product is defective 62 (d) 63 pursuant to paragraph (a) of this subsection, the manufacturer or 64 seller shall not be liable if the claimant (i) had knowledge of a 65 condition of the product that was inconsistent with his safety; (ii) appreciated the danger in the condition; and (iii) 66 deliberately and voluntarily chose to expose himself to the danger 67 in such a manner to register assent on the continuance of the 68 69 dangerous condition.

70 In any action alleging that a product is defective (e) 71 pursuant to paragraph (a)(i)2 of this subsection, the manufacturer 72 or seller shall not be liable if the danger posed by the product 73 is known or is open and obvious to the user or consumer of the product, or should have been known or open and obvious to the user 74 75 or consumer of the product, taking into account the 76 characteristics of, and the ordinary knowledge common to, the persons who ordinarily use or consume the product. 77

(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:

84 (i) The manufacturer or seller knew, or in light
85 of reasonably available knowledge or in the exercise of reasonable
86 care should have known, about the danger that caused the damage
87 for which recovery is sought; and

88 (ii) The product failed to function as expected
89 and there existed a feasible design alternative that would have to
90 a reasonable probability prevented the harm. A feasible design
91 alternative is a design that would have to a reasonable
92 probability prevented the harm without impairing the utility,
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93 usefulness, practicality or desirability of the product to users 94 or consumers.

(g) (i) The manufacturer of a product who is found 95 96 liable for a defective product pursuant to paragraph (a) shall 97 indemnify a product seller for the costs of litigation, any 98 reasonable expenses, reasonable attorney's fees and any damages 99 awarded by the trier of fact unless the seller exercised substantial control over that aspect of the design, testing, 100 manufacture, packaging or labeling of the product that caused the 101 102 harm for which recovery of damages is sought; the seller altered 103 or modified the product, and the alteration or modification was a substantial factor in causing the harm for which recovery of 104 105 damages is sought; the seller had actual knowledge of the 106 defective condition of the product at the time he supplied same; 107 or the seller made an express factual representation about the 108 aspect of the product which caused the harm for which recovery of 109 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.

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

S. B. No. 2021 * SS01/ R184PS* 07/SS01/R184PS PAGE 4 125 section to immunize innocent sellers who are not actively 126 negligent, but instead are mere conduits of a product.

127 (i) Nothing in this section shall be construed to
128 eliminate any common-law defense to an action for damages caused
129 by a product.

130 SECTION 2. This act shall apply to all causes of action 131 filed or pending on or after the effective date of Senate Bill No. 132 2021, 2007 Regular Session.

133 SECTION 3. This act shall take effect and be in force from 134 and after its passage.