To: Judiciary, Division A

SENATE BILL NO. 2037

1	AN ACT	TO AMEND	SECTION 11-1-63,	MISSISSIPPI	CODE OF 1972, TO
2	LIMIT SUITS	BASED ON	INJURIES THAT AR	ISE OUT OF TH	E USE OF A
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- 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
- 6 amended as follows:
- 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
- 10 be liable if the claimant does not prove by the preponderance of
- 11 the evidence that at the time the product left the control of the
- 12 manufacturer or seller:
- 13 (i) 1. The product was defective because it
- 14 deviated in a material way from the manufacturer's specifications
- 15 or from otherwise identical units manufactured to the same
- 16 manufacturing specifications, or
- 17 2. The product was defective because it
- 18 failed to contain adequate warnings or instructions, or
- 19 3. The product was designed in a defective
- 20 manner, or
- 21 4. The product breached an express warranty
- 22 or failed to conform to other express factual representations upon
- 23 which the claimant justifiably relied in electing to use the
- 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.

(c) (i) In any action alleging that a product is defective because it failed to contain adequate warnings or instructions pursuant to paragraph (a)(i)2 of this <u>sub</u>section, the manufacturer or 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, the manufacturer or seller knew or in light of reasonably available knowledge should have known about the danger that caused the damage for which recovery is sought and that the ordinary user or 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 circumstances would have provided with respect to the danger and 49 50 that communicates sufficient information on the dangers and safe use of the product, taking into account the characteristics of, 51 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 55 under the supervision of a physician or other licensed professional person, taking into account the characteristics of, 56 57 and the ordinary knowledge common to, a physician or other 58 licensed professional who prescribes the drug, device or other 59 product.

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- (d) In any action alleging that a product is defective
- 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
- 66 in such a manner to register assent on the continuance of the
- 67 dangerous condition.
- (e) In any action alleging that a product is defective
- 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.
- 76 (f) In any action alleging that a product is defective
- 77 because of its design pursuant to paragraph (a)(i)3 of this
- 78 subsection, the manufacturer or product seller shall not be liable
- 79 if the claimant does not prove by the preponderance of the
- 80 evidence that at the time the product left the control of the
- 81 manufacturer or seller:
- 82 (i) The manufacturer or seller knew, or in light
- 83 of reasonably available knowledge or in the exercise of reasonable
- 84 care should have known, about the danger that caused the damage
- 85 for which recovery is sought; and
- 86 (ii) The product failed to function as expected
- 87 and there existed a feasible design alternative that would have to
- 88 a reasonable probability prevented the harm. A feasible design
- 89 alternative is a design that would have to a reasonable
- 90 probability prevented the harm without impairing the utility,
- 91 usefulness, practicality or desirability of the product to users
- 92 or consumers.

(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 99 100 harm for which recovery of damages is sought; the seller altered 101 or modified the product, and the alteration or modification was a substantial factor in causing the harm for which recovery of 102 103 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. 108 (ii) Subparagraph (i) shall not apply unless the 109 seller has given prompt notice of the suit to the manufacturer 110 within ninety (90) days of the service of the complaint against the seller. 111 112

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

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125	(i) Nothing in this section shall be construed to
126	eliminate any common law defense to an action for damages caused
127	by a product.
128	(2) For the purposes of this section, "any action for
129	damages" means any action against a manufacturer or seller for
130	recovery of damages arising out of personal injury, death or
131	property damage allegedly caused by a defective product whether
132	the action is based in strict tort liability, strict products
133	liability, negligence, misrepresentation, breach of express or
134	implied warranty, or any other theory or combination of theories.
135	SECTION 2. This act shall take effect and be in force from
136	and after its passage.