THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL No. 1983 Session of 2003

INTRODUCED BY BOYD, GODSHALL, PETRI, O'NEILL, SCHRODER, TURZAI, HERSHEY, DENLINGER, TRUE, HICKERNELL, CREIGHTON, GORDNER, EGOLF, GINGRICH, HUTCHINSON, YOUNGBLOOD, STERN, KILLION, HENNESSEY AND WASHINGTON, SEPTEMBER 16, 2003

REFERRED TO COMMITTEE ON JUDICIARY, SEPTEMBER 16, 2003

AN ACT

| 1 2 3 | Amending Title 42 (Judiciary and Judicial Procedure) of the Pennsylvania Consolidated Statutes, providing for liability rules applicable to product sellers. |
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| 4 | The General Assembly of the Commonwealth of Pennsylvania |
| 5 | hereby enacts as follows: |
| 6 | Section 1. Title 42 of the Pennsylvania Consolidated |
| 7 | Statutes is amended by adding a section to read: |
| 8 | § 7104. Liability rules applicable to product sellers. |
| 9 | (a) General ruleIn a product liability action, a product |
| 10 | seller other than a manufacturer shall not be liable for damages |
| 11 | resulting in death, injury to person or property or economic |
| 12 | loss unless the plaintiff establishes at least one of the |
| 13 | <u>following:</u> |
| 14 | (1) The product which allegedly caused the harm |
| 15 | complained of by the plaintiff was sold by the product |
| 16 | seller, the product seller failed to exercise reasonable care |
| 17 | with respect to the product before placing the product in the |

| 1 | stream of commerce and the failure to exercise reasonable | | |
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| 2 | care was a proximate cause of the harm complained of by the | | |
| 3 | plaintiff. For purposes of this paragraph, a product seller | | |
| 4 | shall not be considered to have failed to exercise reasonable | | |
| 5 | care with respect to the product based upon an alleged | | |
| 6 | failure to inspect a product where there was no reasonable | | |
| 7 | opportunity to inspect the product in a manner which, in the | | |
| 8 | exercise of reasonable care, would have revealed the aspect | | |
| 9 | of the product which allegedly caused the harm complained of | | |
| 10 | by the plaintiff. | | |
| 11 | (2) The product seller made an express warranty | | |
| 12 | applicable to the product which allegedly caused the harm | | |
| 13 | complained of by the plaintiff independent of an express | | |
| 14 | warranty made by a manufacturer as to the same product, the | | |
| 15 | product failed to conform to the seller's express warranty | | |
| 16 | and the failure of the product to conform to the seller's | | |
| 17 | express warranty caused the harm complained of by the | | |
| 18 | <u>plaintiff.</u> | | |
| 19 | (3) The product seller, before placing the product in | | |
| 20 | the stream of commerce, exercised significant control over | | |
| 21 | the design, manufacture, packaging or labeling of the product | | |
| 22 | related to the alleged defect in the product which caused the | | |
| 23 | harm complained of by the plaintiff. | | |
| 24 | (4) The product seller, before placing the product in | | |
| 25 | the stream of commerce, knew or reasonably should have known | | |
| 26 | of the defect in the product which caused the harm complained | | |
| 27 | of by the plaintiff or the product seller was in possession | | |
| 28 | of facts from which a reasonable person would conclude that | | |
| 29 | the product seller had or should have had knowledge of the | | |
| 30 | alleged defect in the product which caused the harm | | |
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1 <u>complained of by the plaintiff.</u>

| 2 | (5) The product seller engaged in intentional wrongdoing |
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| 3 | which was a proximate cause of the harm complained of by the |
| 4 | <u>plaintiff.</u> |
| 5 | (6) The product seller, before placing the product in |
| б | the stream of commerce, held itself out as the manufacturer |
| 7 | to the user of the product, in which case the product seller |
| 8 | shall be liable as though the product seller were the |
| 9 | manufacturer of the product. |
| 10 | (b) Rental and leasesNotwithstanding any other provision |
| 11 | of law, a product seller who is engaged in the business of |
| 12 | renting or leasing a product shall be subject to liability |
| 13 | pursuant to subsection (a), but shall not be liable to a |
| 14 | plaintiff for the tortious act of another solely by reason of |
| 15 | ownership of the product. |
| 16 | (c) Certification of manufacturer identity |
| 17 | (1) In a product liability action against a product |
| 18 | seller, the product seller may file an affidavit certifying |
| 19 | the correct identity of the manufacturer of the product which |
| 20 | allegedly caused the injury, death or damage. |
| 21 | (2) The product seller shall exercise due diligence in |
| 22 | providing the plaintiff with the correct identity of the |
| 23 | manufacturer. |
| 24 | (d) DefinitionsAs used in this section, the following |
| 25 | words and phrases shall have the meanings given to them in this |
| 26 | subsection: |
| 27 | <u>"Manufacturer." A person who:</u> |
| 28 | (1) Produced, created, made or constructed the product |
| 29 | or component part of the product. |
| 30 | (2) Designed or formulated the product or component part |

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1 of the product or engaged another person to design or formulate the product or component part of the product. 2 "Product seller." A person who, in the course of a business 3 conducted for that purpose, sells, distributes, rents, leases, 4 prepares, packages, labels or otherwise is involved in placing a 5 product in the stream of commerce. 6 7 Section 2. This act shall apply to all actions instituted on or after the effective date of this act. 8

9 Section 3. This act shall take effect in 60 days.