

ARIZONA HOUSE OF REPRESENTATIVES

Fifty-fifth Legislature Second Regular Session

Senate: JUD DP 5-2-1-0 | 3rd Read 17-12-1-0

<u>SB 1092</u>: product liability; civil action; limitation Sponsor: Senator Leach, LD 11 Committee on Judiciary

<u>Overview</u>

Modifies statute relating to *product liability causes of action* that involve sellers who are not also the manufacturer of the product at issue.

<u>History</u>

Product liability actions can be brought against manufacturers and other parties following an individual's injury or death caused by a defective product. A seller may be held liable under the following circumstances:

- 1) The seller knew that the product was defective; or
- 2) The seller altered the product, and that altercation caused the defect or incident (<u>A.R.S. §</u> <u>12-684</u>).

An individual seeking to file a cause of action must do so within 12 years of the product being first sold, unless the action is based on manufacturer negligence or the breach of an express warranty provided by a manufacturer or seller (A.R.S. 12-551).

Provisions

- 1. Allows product liability actions to be filed against a seller who is not also the manufacturer of the product if at least one of the following apply:
 - a) The seller had actual knowledge of the product's defect;
 - b) The seller altered the product in a manner that caused the incident or defect;
 - c) The seller provided plans for the manufacture of the product, provided the plans were a substantial cause of the defect;
 - d) The seller resold the product and had actual knowledge that the product's condition was substantially different than when it left the manufacturer's possession;
 - e) The seller did not exercise reasonable care in assembling or maintaining the product or conveying warning or instructions to the consumer which led to the incident or defect; or
 - f) The seller, independent of the manufacturer, made an express warranty regarding the product if the product failed to conform to the standard described in the seller's warranty. (Sec. 1)
- 2. Specifies in product liability actions involving sellers who are not the manufacturers, if the manufacturer refuses to accept a tender of defense from the seller, the manufacturer must reimburse the seller for reasonable attorney fees and other costs incurred. (Sec. 1)
- 3. Makes technical and conforming changes. (Sec. 1)