## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## **HOUSE BILL**

No. 354

Session of 2013

INTRODUCED BY REED, MILLARD, GINGRICH, KAUFFMAN, PICKETT, F. KELLER, BOBACK, STERN, FLECK, CUTLER, MOUL, TALLMAN, EVANKOVICH, HESS, C. HARRIS, MILLER, SWANGER, DENLINGER, MURT AND GRELL, JANUARY 29, 2013

REFERRED TO COMMITEE ON JUDICIARY, JANUARY 29, 2013

## AN ACT

Amending Title 42 (Judiciary and Judicial Procedure) of the 1 Pennsylvania Consolidated Statutes, in particular rights and 2 immunities, providing for liability rules applicable to 3 product sellers and manufacturers. 4 5 The General Assembly of the Commonwealth of Pennsylvania 6 hereby enacts as follows: 7 Section 1. Title 42 of the Pennsylvania Consolidated Statutes is amended by adding a section to read: 8 § 8340.3. Liability rules applicable to product sellers and 9 10 manufacturers. 11 (a) Innocent seller. -- No product liability action based on the doctrine of strict liability in tort shall be commenced or 12 13 maintained against any seller of a product which is alleged to 14 contain or possess a defective condition unreasonably dangerous 15 to the buyer, user or consumer unless the seller is also the manufacturer of the product or the manufacturer of the part 16 thereof claimed to be defective giving rise to the product 17

liability action. Nothing under this subsection shall be

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- 1 construed to limit any other action from being brought against
- 2 <u>any seller of a product.</u>
- 3 (b) Product misuse. -- A product liability action may not be
- 4 <u>commenced or maintained against a manufacturer or seller of a</u>
- 5 product that caused injury, death or property damage if any of
- 6 the following apply:
- 7 (1) At the time the injury, death or property damage
- 8 occurred, the product was used in a manner or for a purpose
- 9 <u>other than that which was intended and which could not</u>
- 10 reasonably have been expected and the misuse of the product
- 11 was a cause of the injury, death or property damage.
- 12 (2) The manufacturer or seller of the product provided
- 13 <u>warning or instruction that, if heeded, would have prevented</u>
- the injury, death or property damage.
- 15 (c) Presumptions. -- The following presumptions shall apply to
- 16 product liability actions:
- 17 (1) In any product liability action, it shall be
- 18 rebuttably presumed that the product which caused the injury,
- 19 death or property damage was not defective and that the
- 20 manufacturer or seller of the product was not negligent if
- 21 any of the following applies:
- 22 (i) The product, prior to sale by the manufacturer,
- 23 <u>conformed to the state of the art, as distinguished from</u>
- industry standards, applicable to the product in
- existence at the time of sale.
- 26 (ii) The product complied with, at the time of sale
- by the manufacturer, any applicable code, standard or
- 28 regulation adopted or promulgated by the United States or
- the Commonwealth.
- 30 (2) Noncompliance with a government code, standard or

- 1 regulation existing and in effect at the time of sale of the
- 2 product by the manufacturer which contributed to the claim or
- 3 <u>injury shall create a rebuttable presumption that the product</u>
- 4 <u>was defective or negligently manufactured.</u>
- 5 (3) Ten years after a product is first sold for use or
- 6 consumption, it shall be rebuttably presumed that the product
- 7 was not defective and that the manufacturer or seller of the
- 8 <u>product was not negligent and that all warnings and</u>
- 9 <u>instructions were proper and adequate.</u>
- 10 (4) In a product liability action in which the court
- determines by a preponderance of the evidence that the
- 12 <u>necessary facts giving rise to a presumption have been</u>
- 13 <u>established</u>, the court shall instruct the jury concerning the
- 14 <u>presumption</u>.
- 15 (d) Definitions.--As used in this section, the following
- 16 words and phrases shall have the meanings given to them in this
- 17 subsection:
- 18 "Manufacturer." A person or entity who designs, assembles,
- 19 fabricates, produces, constructs or otherwise prepares a product
- 20 or a component part of a product prior to the sale of the
- 21 product to a user or consumer. The term includes any of the
- 22 following:
- 23 (1) A seller of a product who has actual knowledge of a
- 24 <u>defect in the product.</u>
- 25 (2) A seller of a product who creates and furnishes a
- 26 manufacturer with specifications relevant to the alleged
- 27 <u>defect for producing the product.</u>
- 28 (3) A seller of a product who otherwise exercises some
- 29 significant control over all or a portion of the
- 30 manufacturing process.

Τ	(4) A seller of a product who alters or modifies a
2	product in any significant manner after the product comes
3	into his possession and before it is sold to the ultimate
4	user or consumer.
5	(5) A seller of a product who is owned in whole or
6	significant part by the manufacturer or who owns, in whole or
7	significant part, the manufacturer. A seller not otherwise a
8	manufacturer shall not be deemed to be a manufacturer merely
9	because he places or has placed a private label on a product
10	<u>if:</u>
11	(i) He did not:
12	(A) otherwise specify how the product shall be
13	<pre>produced; or</pre>
14	(B) control, in some significant manner, the
15	manufacturing process of the product.
16	(ii) The seller discloses who the actual
17	manufacturer is.
18	"Product liability action." Any action brought against a
19	manufacturer or seller of a product, regardless of the
20	substantive legal theory or theories upon which the action is
21	brought, for or on account of personal injury, death or property
22	damage caused by or resulting from any of the following:
23	(1) The manufacture, construction, design, formula,
24	installation, preparation, assembly, testing, packaging,
25	labeling or sale of any product.
26	(2) The failure to warn or protect against a danger or
27	hazard in the use, misuse or unintended use of any product.
28	(3) The failure to provide proper instructions for the
29	use of any product.
30	"Seller." An individual or entity, including a manufacturer,

- 1 wholesaler, distributor or retailer, who is engaged in the
- 2 <u>business of selling or leasing any product for resale, use or</u>
- 3 <u>consumption</u>.
- 4 Section 2. This act shall apply to all actions instituted on
- 5 or after the effective date of this section.
- 6 Section 3. This act shall take effect in 60 days.