

SENATE BILL 918

By Burks

AN ACT to amend Tennessee Code Annotated, Title 12,  
Chapter 4, Part 1, relative to limitations of liability  
and warranty in state contracts.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 12, Chapter 4, Part 1, is amended by adding the following language as a new, appropriately designated section:

**§ 12-4-125.** Notwithstanding any law to the contrary, the Tennessee board of regents and the University of Tennessee system are authorized to:

(1) Develop procedures to apply the policy of § 12-4-119 to their constituent institutions, including procedures describing the circumstances in which limitations below two (2) times the value of the contract are permitted and procedures for obtaining permission from the appropriate official of the Tennessee board of regents or the University of Tennessee;

(2) Purchase software for use restricted solely to academic teaching or research upon terms which may limit the contractor's liability or warranties; provided, that in no event shall the liability of the contractor be limited for intentional torts, criminal acts, or fraudulent conduct; and

(3) Acquire software or services, materials, supplies and equipment free or at nominal cost upon terms which may limit the contractor's liability or warranties; provided, that in no event shall the liability of the contractor be limited for intentional torts, criminal acts, or fraudulent conduct.

SECTION 2. The law shall take effect upon becoming law the public welfare requiring it.