

Senate Study Bill 1211

Bill Text

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1 1 Section 1. Section [613.18](#), Code 2001, is amended to read
1 2 as follows:
1 3 613.18 LIMITATION ON PRODUCTS LIABILITY OF
1 4

~~NONMANUFACTURERS~~

~~— WHOLESALERS, RETAILERS, DISTRIBUTORS, AND~~

1 5 ~~SELLERS OF PRODUCTS.~~

1 6 1. A person who is not the assembler, designer, or
1 7 manufacturer, and who wholesales, retails, distributes, or
1 8 otherwise sells a product is:

1 9 a. Immune from any suit based upon strict liability in
1 10 tort or breach of implied warranty of merchantability which
1 11 arises solely from an alleged defect in the original design or
1 12 manufacture of the product but only if the assembler,
1 13 designer, or manufacturer is either domiciled in the United
1 14 States or is subject to the jurisdiction of the courts of this
1 15 state and has not been judicially declared insolvent.

1 16 b. Not liable for damages based upon strict liability in
1 17 tort or breach of implied warranty of merchantability for the
1 18 product upon proof that the assembler, designer, or
1 19 manufacturer is domiciled in the United States or is subject
1 20 to the jurisdiction of the courts of this state and has not
1 21 been judicially declared insolvent.

1 22 2. A person who is a retailer of a product and who
1 23 assembles a product, such assembly having no causal
1 24 relationship to the injury from which the claim arises, is not
1 25 liable for damages based upon strict liability in tort or
1 26 breach of implied warranty of merchantability which arises
1 27 from an alleged defect in the original design or manufacture
1 28 of the product upon proof that the assembler, designer, or
1 29 manufacturer is domiciled in the United States or is subject
1 30 to the jurisdiction of the courts of this state and has not
1 31 been judicially declared insolvent.

1 32 3. An action brought pursuant to this section, where the
1 33 claimant certifies that the assembler, designer, or
1 34 manufacturer of the product is not yet identifiable, tolls the
1 35 statute of limitations against such assembler, designer, or
2 1 manufacturer until such time as discovery in the case has
2 2 identified the assembler, designer, or manufacturer.

2 3 4. Any person entitled to immunity or limited liability
2 4 under this section, who knowingly misrepresents to the public
2 5 that the product at issue is assembled, designed, or
2 6 manufactured in the United States shall not be entitled to
2 7 immunity or limited liability.

2 8 EXPLANATION

2 9 This bill limits the immunity granted to wholesalers,
2 10 retailers, distributors, or other sellers of products when the
2 11 assemblers, designers, or manufacturers of the products are
2 12 not domiciled in the United States or are not subject to the
2 13 jurisdiction of the Iowa courts and have not been judicially
2 14 declared insolvent. The bill further provides that
2 15 wholesalers, retailers, distributors, or other sellers of
2 16 products who falsely represent that a product is made in the
2 17 United States shall not be entitled to immunity or limited
2 18 liability.

2 19 LSB 1899XC 79
2 20 rh/pj/5