

S 865

Small Business Liability Reform Act of 2001

Congress: 107 (2001–2003, Ended)

Chamber: Senate

Policy Area: Law

Introduced: May 10, 2001

Current Status: Sponsor introductory remarks on measure. (CR S7078-7079)

Latest Action: Sponsor introductory remarks on measure. (CR S7078-7079) (Jun 28, 2001)

Official Text: <https://www.congress.gov/bill/107th-congress/senate-bill/865>

Sponsor

Name: Sen. McConnell, Mitch [R-KY]

Party: Republican • **State:** KY • **Chamber:** Senate

Cosponsors (4 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Lieberman, Joseph I. [D-CT]	D · CT		May 10, 2001
Sen. Hutchinson, Tim [R-AR]	R · AR		May 21, 2001
Sen. Fitzgerald, Peter [R-IL]	R · IL		Jul 24, 2001
Sen. Voinovich, George V. [R-OH]	R · OH		Jan 23, 2002

Committee Activity

Committee	Chamber	Activity	Date
Judiciary Committee	Senate	Referred To	May 10, 2001

Subjects & Policy Tags

Policy Area:

Law

Related Bills

No related bills are listed.

Summary (as of May 10, 2001)

Small Business Liability Reform Act of 2001 - Allows punitive damages to be awarded against a small business only if the claimant establishes by clear and convincing evidence that conduct carried out by the defendant with a conscious, flagrant indifference to the rights or safety of others was the proximate cause of the harm that is the subject of the action. Limits such punitive damages to the lesser of three times the amount awarded for economic and noneconomic losses, or \$250,000. Makes such limitation inapplicable if the court finds that the defendant acted with specific intent to cause the type of harm for which the action is brought. Provides liability limitation exceptions.

States that in any civil action against a small business: (1) each defendant shall be liable only for the amount of noneconomic loss allocated to that defendant in direct proportion to the percentage of responsibility of that defendant for the harm caused to the plaintiff; and (2) the court shall render a separate judgment against each defendant describing such percentage of responsibility.

Excepts from such liability limitations specified misconduct of a defendant.

Mandates that, in any product liability action covered by this Act, a product seller other than a manufacturer shall be liable to a claimant only if such claimant establishes that: (1) the product that caused the harm was sold, rented, or leased by the seller, the seller failed to exercise reasonable care with respect to the product, and such failure was the proximate cause of harm to the plaintiff; (2) the seller made an express warranty applicable to such product, the product failed to conform to the warranty, and such failure caused the harm to the plaintiff; or (3) the product seller engaged in intentional wrongdoing, and such wrongdoing caused the harm to the plaintiff.

Actions Timeline

- **Jun 28, 2001:** Sponsor introductory remarks on measure. (CR S7078-7079)
- **May 14, 2001:** Sponsor introductory remarks on measure. (CR S4884-4885)
- **May 10, 2001:** Introduced in Senate
- **May 10, 2001:** Read twice and referred to the Committee on the Judiciary. (text of measure as introduced: CR S4840-4842)