

1 **State of Arkansas**
2 **78th General Assembly**
3 **First Extraordinary Session, 1992**
4 **By: Senators Wilson, Bradford, and Bearden**

A Bill

Call Item 9

SENATE BILL

For An Act To Be Entitled

8 "AN ACT TO AMEND ARKANSAS CODE 4-86-102(a) TO CLARIFY THE
9 LAW PERTAINING TO THE RECOVERY OF DAMAGES IN A STRICT
10 LIABILITY CAUSE OF ACTION; AND FOR OTHER PURPOSES."

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12 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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14 SECTION 1. Arkansas Code 4-86-102(a) is hereby amended to read as
15 follows:

16 "4-86-102. Liability of supplier.

17 (a) A supplier of a product is subject to liability in damages for harm
18 to a person or to property if:

19 (1) The supplier is engaged in the business of manufacturing,
20 assembling, selling, leasing, or otherwise distributing the product;

21 (2) The product was supplied by him in a defective condition
22 which rendered it unreasonably dangerous; and

23 (3) The defective condition was a proximate cause of the harm to
24 person or to other property."

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26 SECTION 2. All provisions of this act of a general and permanent nature
27 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
28 Revision Commission shall incorporate the same in the Code.

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30 SECTION 3. If any provision of this act or the application thereof to
31 any person or circumstance is held invalid, such invalidity shall not affect
32 other provisions or applications of the act which can be given effect without
33 the invalid provision or application, and to this end the provisions of this
34 act are declared to be severable.

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1 SECTION 4. All laws and parts of laws in conflict with this act are
2 hereby repealed.

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4 SECTION 5. EMERGENCY. It is hereby found and determined by the General
5 Assembly that an ambiguity exists in Arkansas Code 4-86-102 as it was
6 previously written which has resulted in the misinterpretation of what types
7 of damages are recoverable under a strict liability cause of action; that
8 under the present misinterpretation, recovery of purely economic damages has
9 been allowed under a strict liability cause of action when there was no damage
10 caused by the defective product to persons or other property, but only damage
11 to the product itself; and that this act clarifies that the law to prohibit
12 the recovery of purely economic losses under a strict liability cause of
13 action and should therefore go into effect immediately in order to resolve the
14 misinterpretation. Therefore an emergency is hereby declared to exist and
15 this act being necessary for the preservation of the public peace, health and
16 safety shall be in full force and effect from and after its passage and
17 approval.

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