

HOUSE BILL 1875
By Fitzhugh

AN ACT to amend Tennessee Code Annotated, Section 12-4-119, relative to limitation of liability under state contracts.

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

SECTION 1. Tennessee Code Annotated, Section 12-4-119(c), is amended by deleting the subsection in its entirety, and by substituting instead the following language:

(c) Except for the personal injury or death, total liability of a contractor, whether for breach of contract, warranty, negligence, strict liability in tort or otherwise, shall be limited to the price of the particular products sold under a contract with respect to which losses or damages are claimed. The state's sole remedy is to request the contractor at the contractor's option to either refund the purchase price, repair, or replace products that are not as warranted. In no event shall the contractor be liable for any loss of use, loss of time, inconvenience, commercial loss, lost profits or savings or other incidental or consequential damages to the full extent such may be disclaimed by law. No action shall be brought for any breach of a contract more than one (1) year after the accrual of the cause of action except for money due upon an open account. Notwithstanding any provision of this subsection to the contrary, any provision or provisions of this subsection shall not apply to the extent it is determined by a court of competent jurisdiction, including appellate review if pursued, to violate the law or constitution of the state of Tennessee.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.