

## **BILL ANALYSIS**

Senate Research Center

S.B. 1279  
By: Lucio  
Economic Development  
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As Filed

### **DIGEST**

Currently, liability for injuries allegedly caused by medical products is determined by the laws of each state. Punitive damages present a problem in that they are unpredictable and interfere with reasonable settlement negotiations. This bill prohibits exemplary damages from being awarded against a manufacturer or seller of a drug if the manufacturer or seller is in compliance with certain provisions.

### **PURPOSE**

As proposed, S.B. 1279 prohibits exemplary damages from being awarded if there is compliance with certain provisions.

### **RULEMAKING AUTHORITY**

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Chapter 41, Civil Practice & Remedies Code, by adding Section 41.014, as follows:

Sec. 41.014. COMPLIANCE WITH GOVERNMENT STANDARDS. Sets forth instances in which exemplary damages are prohibited from being awarded against a manufacturer or seller of a drug that caused the claimant's harm. Provides that the prohibition does not apply to certain manufacturers of drugs. Defines "drug."

SECTION 2. Effective date: September 1, 1997.  
Makes application of this Act prospective.

SECTION 3. Emergency clause.