

by the juvenile court. The juvenile court may not order the district public defender to represent a minor who is under the age of ten years, to serve as a guardian ad litem, or to represent a guardian ad litem.

Presented to the governor April 6, 2000

Signed by the governor April 10, 2000, 2:56 p.m.

### CHAPTER 358—S.F.No. 1126

*An act relating to civil actions; clarifying the economic loss doctrine; providing for a comprehensive statute governing economic loss; proposing coding for new law in Minnesota Statutes, chapter 604.*

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

#### Section 1. [604.101] ECONOMIC LOSS DOCTRINE.

Subdivision 1. **DEFINITIONS.** (a) The definitions in this subdivision apply to this section.

(b) "Buyer" means a person who buys or leases or contracts to buy or lease the goods that are alleged to be defective or the subject of a misrepresentation.

(c) "Goods" means tangible personal property, regardless of whether that property is incorporated into or becomes a component of some different property.

(d) "Period of restoration" means the time a reasonable person would find reasonably necessary to repair, replace, rebuild, or restore other tangible property and real property harmed by the defect in the goods to a quality level reasonably equivalent to the quality level that existed before the defect caused the harm, but excluding in all circumstances:

(1) time necessary to repair, replace, rebuild, or restore the goods themselves;

(2) delays or other impediments resulting from a difficulty in obtaining financing;  
and

(3) delays or other impediments resulting from zoning or environmental requirements imposed by law that did not apply to the use of the harmed property immediately before the harm occurred.

(e) "Product defect tort claim" means a common law tort claim for damages caused by a defect in the goods but does not include statutory claims. A defect in the goods includes a failure to adequately instruct or warn.

(f) "Seller" means a person who sells or leases or contracts to sell or lease the goods that are alleged to be defective or the subject of a misrepresentation.

New language is indicated by underline, deletions by ~~strikeout~~.

(g) If a good is a component of a manufactured good, harm caused by the component good to the manufactured good is not harm to tangible personal property other than the component good.

Subd. 2. SCOPE. This section does not apply to claims for injury to the person. This section applies to any claim by a buyer against a seller for harm caused by a defect in the goods sold or leased, or for a misrepresentation relating to the goods sold or leased:

(1) regardless of whether the seller and the buyer were in privity regarding the sale or lease of the goods; and

(2) regardless of whether article 2 or article 2A of the Uniform Commercial Code under chapter 336 governed the sale or lease that caused the seller to be a seller and buyer to be a buyer.

Subd. 3. LIMITS ON PRODUCT DEFECT TORT CLAIMS. A buyer may not bring a product defect tort claim against a seller for compensatory damages unless a defect in the goods sold or leased caused harm to the buyer's tangible personal property other than the goods or to the buyer's real property. In any claim brought under this subdivision, the buyer may recover only for:

(1) loss of, damage to, or diminution in value of the other tangible personal property or real property, including, where appropriate, reasonable costs of repair, replacement, rebuilding, and restoration;

(2) business interruption losses, excluding loss of good will and harm to business reputation, that actually occur during the period of restoration; and

(3) additional family, personal, or household expenses that are actually incurred during the period of restoration.

Subd. 4. LIMITS ON COMMON LAW MISREPRESENTATION CLAIMS. A buyer may not bring a common law misrepresentation claim against a seller relating to the goods sold or leased unless the misrepresentation was made intentionally or recklessly.

Subd. 5. RELATION TO COMMON LAW. The economic loss doctrine applies to claims only as stated in this section. This section does not alter the elements of a product defect tort claim or a common law claim for misrepresentation.

Subd. 6. APPLICATION; EFFECT ON EXISTING STATUTE. This section governs claims by a buyer against a seller if the sale or lease that caused the seller to be a seller and the sale or lease that caused the buyer to be a buyer both occurred on or after August 1, 2000. Section 604.10 does not apply to a claim governed by this section.

## **Sec. 2. INSTRUCTION TO REVISOR.**

The revisor of statutes shall change the statutory reference in the footnote to Minnesota Statutes, section 336.2-721, to include section 604.101 as well as section 604.10.

**New language is indicated by underline, deletions by ~~strikeout~~.**

Sec. 3. **EFFECTIVE DATE.**

This act is effective August 1, 2000.

Presented to the governor April 7, 2000

Signed by the governor April 11, 2000, 10:30 a.m.

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**CHAPTER 359—S.F.No. 2858**

*An act relating to human services and corrections; transfer to correctional facility; requiring a report; amending Minnesota Statutes 1998, section 253B.185, subdivision 2.*

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 1998, section 253B.185, subdivision 2, is amended to read:

Subd. 2. **TRANSFER TO CORRECTIONAL FACILITY.** (a) If a person has been committed under this section and later is committed to the custody of the commissioner of corrections for any reason, including but not limited to, being sentenced for a crime or revocation of the person's supervised release or conditional release under section 244.05, 609.108, subdivision 6, or 609.109, subdivision 7, the person may shall be transferred from a hospital to another a facility designated by the commissioner of corrections as without regard to the procedures provided in section 253B.18, except that the special review board and the commissioner of human services may consider the following factors in lieu of the factors listed in section 253B.18, subdivision 6, to determine whether a transfer to the commissioner of corrections is appropriate:

- (1) the person's unamenability to treatment;
- (2) the person's unwillingness or failure to follow treatment recommendations;
- (3) the person's lack of progress in treatment at the public or private hospital;
- (4) the danger posed by the person to other patients or staff at the public or private hospital; and
- (5) the degree of security necessary to protect the public.

(b) If a person is committed under this section after a commitment to the commissioner of corrections, the person shall first serve the sentence in a facility designated by the commissioner of corrections. After the person has served the sentence, the person shall be transferred to a regional center treatment program designated by the commissioner of human services.

New language is indicated by underline, deletions by ~~strikeout~~.