Congress Limiting Liability

Below are examples of federal legislation--still in effect--that either shields entities from liability (immunity) or limits liability:

1. Nuclear Indemnity Act (1957)

• **Scope:** Gov't partially reimburses private nuclear-energy companies for claims that arise from nuclear accidents

2. National Childhood Vaccine Injury Act (1986)

- Background: Congress worried that a flood of lawsuits against vaccine manufacturers in the 1970s and early 1980s would drive them from the market, leaving Americans' health at risk
- Scope: Preempts <u>all</u> tort liability, including design-defect lawsuits
- **Note:** Created a federal trust fund to compensate victims with legitimate claims

3. The Radiation Exposure Compensation Act (1990)

• **Scope:** Treated government contractors in claims for loss of property, personal injury, or death resulting from radiation exposure related to the nation's nuclear weapon testing program as if they were federal employees rather than independent contractors, essentially substituting the United States for the contractor as the defendant in the action

4. General Aviation Revitalization Act (1994)

- **Background:** Congress wanted to limit aircraft carrier's liability for product-liability suits, which in some cases dated to aircrafts made and sold decades ago
- **Scope:** Shields most manufacturers of (1) aircrafts that carried fewer than 20 passengers or (2) parts for those aircrafts
 - Product had to be 18 years or older at the time of accident
 - Applied even if negligence was the cause of accident
 - Applied even to deaths caused by negligence

[Section 230 in 1996]

5. Volunteer Protection Act (1997)

- **Scope:** Eliminates or limits tort liability for those who volunteer for nonprofits or for the gov't
 - Preempts state law
 - Allows suits for (1) criminal conduct, (2) gross negligence, (3) recklessness, or (4) "flagrant" disregard for safety precautions

6. Amtrak Reform and Accountability Act (1997)

• **Scope:** Capped Amtrak's liability at \$200 million (including awards for punitive damages) for a single accident or incident for claims by passengers for personal injury, death, or property damage related to rail passenger transportation; the act also created a uniform punitive damage standard

7. Biomaterials Access Assurance Act (1998)

• **Scope:** Eliminated the liability of a supplier of components or raw materials used in medical devices placed inside the body for harms related to implants (other than involving the silicone gel or envelope in a breast implant)

8. Air Transportation Safety and System Stabilization Act (2001; 2019)

- Background: 11 days after 9/11, Congress passed the bill to "preserve the continued viability of the United States air transportation system." Congress worried that lawsuits against airlines would bankrupt them
- **Scope:** Created a trust fund for victims to receive compensation; in return, they had to waive all rights to civil litigation
- **Note:** The Act did not preempt all litigation--Congress created a new cause of action for victims to sue in civil court

9. Public Readiness and Emergency Preparedness Act (2005)

• **Scope:** Gave tort immunity to manufacturers, distributors, administrators, and others for the use of medical countermeasures against epidemics, pandemics, and acts of terrorism; the act also established an administrative procedure for claiming medical benefits, lostincome benefits, and death benefits

10. Protection of Lawful Commerce in Arms Act (2005)

• Background: Congress worried that lawsuits against manufacturers and dealers would expose them to "novel" liability, driving many from the marketplace; indeed, before the act, some businesses were driven out because they couldn't secure financing (creditors worried that lawsuits would leave businesses too exposed)

- **Scope:** Gun manufacturers <u>and</u> dealers not liable for crimes committed with their products
 - Still liable for negligent entrustment (you have reason to believe Harry may misuse a gun but sell it to him anyway); breach of contract; criminal law; damages for defective products
 - Preempts some state remedies, but contains a "predicate exception" clause that allows some lawsuits under state laws (e.g., breach of contract); allows prosecution for "knowing" violations of federal <u>and</u> state criminal law