CHAPTER 352—S.F.No. 565

An act relating to civil actions; regulating recovery for economic loss arising from the sales of goods; amending Minnesota Statutes 1990, section 336.2-725; proposing coding for new law in Minnesota Statutes, chapter 604.

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

Section 1. Minnesota Statutes 1990, section 336.2-725, is amended to read:

336.2-725 STATUTE OF LIMITATIONS IN CONTRACTS FOR SALE.

(1) An action for breach of any contract for sale must be commenced within four years after the cause of action has accrued. By the original agreement the parties may reduce the period of limitation to not less than one year but may not extend it.

(2) A cause of action accrues when the breach occurs, regardless of the aggrieved party's lack of knowledge of the breach. A breach of warranty occurs when tender of delivery is made, except that where a warranty explicitly extends to future performance of the goods and discovery of the breach must await the time of such performance the cause of action accrues when the breach is or should have been discovered.

(3) Where an action commenced within the time limited by subsection (1) is so terminated as to leave available a remedy by another action for the same breach such other action may be commenced after the expiration of the time limited and within six months after the termination of the first action unless the termination resulted from voluntary discontinuance or from dismissal for failure or neglect to prosecute.

(4) This section does not alter the law on tolling of the statute of limitations, nor does it apply to causes of action which have accrued before this chapter becomes effective.

Nor does This section <u>does not</u> apply to actions for the breach of any contract for sale of a grain storage structure that is an improvement to real property, which. <u>These</u> actions shall be are subject only to the statute of limitations set forth in section 541.051.

This section does not apply to claims against sellers of goods for damages to property caused by the goods where the property that is damaged is not the goods and the sale is not a sale between parties who are each merchants in goods of the kind.

Sec. 2. [604.10] ECONOMIC LOSS ARISING FROM THE SALE OF GOODS.

(a) Economic loss that arises from a sale of goods that is due to damage to tangible property other than the goods sold may be recovered in tort as well as in contract, but economic loss that arises from a sale of goods between parties who are each merchants in goods of the kind is not recoverable in tort.

New language is indicated by underline, deletions by strikeout.

(b) Economic loss that arises from a sale of goods, between merchants, that is not due to damage to tangible property other than the goods sold may not be recovered in tort.

(c) The economic loss recoverable in tort under this section does not include economic loss due to damage to the goods themselves.

Presented to the governor May 31, 1991

Signed by the governor June 4, 1991, 8:35 p.m.

CHAPTER 353-S.F.No. 1019

An act relating to children; modifying child protection system data practices study requirements; amending Laws 1990, chapter 542, section 36.

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

Section 1. Laws 1990, chapter 542, section 36, is amended to read:

Sec. 36. ATTORNEY GENERAL DATA PRACTICES STUDY.

The attorney general and the department of human services, in consultation with the multidisciplinary task force established under section 39, shall:

(1) prepare a plain language interpretation of existing data practices laws that affect the child protection system and make recommendations for training on data practices laws for child protection workers, law enforcement personnel, county attorneys, court services personnel, social workers, guardians ad litem, school personnel, and other persons involved in the child protection system;

(2) identify ambiguities and inconsistencies in the laws and compare the classification and treatment of data in law enforcement and child protection agencies;

(3) prepare standard forms for giving information to individuals under Minnesota Statutes, section 13.04, subdivision 2, and for reports under Minnesota Statutes, section 626.556;

(4) determine the need for giving mandated reporters, law enforcement, and child protection workers who must diagnose and investigate child abuse increased access to medical records and information on prior abuse; and

(5) consider the desirability of defining false or unfounded reports under Minnesota Statutes, section 626.556.

The attorney general and the department of human services shall report and make recommendations to the legislature by December 15, 1991. The attorney

New language is indicated by <u>underline</u>, deletions by strikeout.

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