

LEGAL SERVICES

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MEMORANDUM

March 1, 2010

SUBJECT: Sectional summary for HB 366 relating to indemnification agreements that relate to motor carrier transportation contracts (Work Order No. 26-LS1434R)

TO: Representative Craig Johnson
Attn: Jeanne Ostnes

FROM:  Theresa Bannister
Legislative Counsel

You have requested a sectional summary of the above-described bill. As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents.

Section 1. Adds a new provision that prohibits indemnification by motor carriers.

Sec. 45.45.905(a) prohibits a motor carrier and a shipping person from entering into an indemnification agreement related to a transportation services contract. Covers the indemnification of the shipping person, the defense of the shipping person, and the holding of the shipping person harmless from liability for the shipping person's negligence, intentional acts, or intentional omissions.

Sec. 45.45.905(b) states that an agreement that violates (a) is void and unenforceable.

Sec. 45.45.905(c) defines terms used in the section. Defines "motor carrier," "motor vehicle," "shipping person," and "transportation services."

Section 2. States that this Act won't apply to an indemnification agreement unless the agreement is entered into on or after the bill's effective date.

If I may be of further assistance, please advise.

TLB:ljw
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