



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

BILL



ANALYSIS

Telephone: (517) 373-5383
Fax: (517) 373-1986

Senate Bill 873 (as reported without amendment)
Sponsor: Senator Jim Marleau
Committee: Transportation

CONTENT

The bill would amend the Motor Carrier Act to provide that a motor carrier transportation contract provision indemnifying the promisee from liability would be void and unenforceable.

Specifically, the bill would add Section 21 to the Act to provide that a provision, clause, covenant, or agreement contained in, collateral to, or affecting a motor carrier transportation contract with the purpose or effect of indemnifying, defending, or holding harmless the promisee from or against any liability for loss or damage resulting from the promisee's negligence or intentional acts or omissions would be against the State's public policy and would be void and unenforceable.

("Motor carrier transportation contract" would mean a contract, agreement, or understanding for any of the following:

- The transportation of property by a motor carrier for the purpose of loading, unloading, or transporting property for compensation or hire.
- Entrance on property by a motor carrier for that purpose.
- A service incidental to either of those activities, including the storage of property.

"Promisee" would mean a party to a motor carrier transportation contract who is not a motor carrier or, if the promisee is a motor carrier, a party to a contract who is not transporting property for compensation or hire. The term would include agents, employees, servants, and independent contractors who are directly responsible to the promisee.)

Proposed Section 21 would not apply to the Uniform Intermodal Interchange and Facilities Access Agreement administered by the Intermodal Association of North America or other agreements providing for the interchange, use, or possession of intermodal chassis or other intermodal equipment.

Proposed MCL 479.21

Legislative Analyst: Julie Cassidy

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Date Completed: 5-8-12

Fiscal Analyst: Josh Sefton