LIABILITY: DMB CONTRACTS H.B. 5656 (H-1): FLOOR ANALYSIS





Telephone: (517) 373-5383 Fax: (517) 373-1986 TDD: (517) 373-0543

House Bill 5656 (Substitute H-1 as reported without amendment)

Sponsor: Representative Chris Ward

House Committee: Government Operations

Senate Committee: Economic Development, Small Business and Regulatory Reform

## **CONTENT**

The bill would amend the Management and Budget Act to prohibit the Department of Management and Budget from requiring an architect, professional engineer, or contractor with whom it enters into a contract to assume any liability or indemnify the State for any amount greater than the architect's, professional engineer's, or contractor's degree of fault.

The bill would define "contractor" as a person who provides an improvement to real property pursuant to a contract with the owner or lessee of the property.

Proposed MCL 18.1237c Legislative Analyst: Suzanne Lowe

## **FISCAL IMPACT**

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

Date Completed: 11-12-04 Fiscal Analyst: Bill Bowerman