## **SENATE BILL No. 531**

September 19, 2013, Introduced by Senator CASPERSON and referred to the Committee on Regulatory Reform.

A bill to amend 1966 PA 165, entitled

"An act to invalidate certain requirements for indemnity in the construction industry,"

by amending section 1 (MCL 691.991), as amended by 2012 PA 468.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 1. (1) In a contract for the design, construction,
- 2 alteration, repair, or maintenance of a building, a structure, an
- 3 appurtenance, an appliance, a highway, road, bridge, water line,
- 4 sewer line, or other infrastructure, or any other improvement to
- 5 real property, including moving, demolition, and excavating
- 6 connected therewith, a provision purporting to indemnify the
- 7 promisee against liability for damages arising out of bodily injury
- to persons or damage to property caused by or resulting from the

01508'13 b

- 1 sole negligence of the promisee or indemnitee, his agents or
- 2 employees, is against public policy and is void and unenforceable.
- 3 (2) When entering into a contract with a Michigan-licensed
- 4 architect, professional engineer, landscape architect, or
- 5 professional surveyor OR LANDSCAPE ARCHITECT AUTHORIZED TO DO
- 6 BUSINESS IN THIS STATE for the design of a building, a structure,
- 7 an appurtenance, an appliance, a highway, road, bridge, water line,
- 8 sewer line, or other infrastructure, or any other improvement to
- 9 real property, or a contract with a contractor for the
- 10 construction, alteration, repair, or maintenance of any such
- 11 improvement, including moving, demolition, and excavating connected
- 12 therewith, a public entity shall not require the Michigan-licensed
- 13 architect, professional engineer, landscape architect, or
- 14 professional surveyor, THE LANDSCAPE ARCHITECT, or the contractor
- 15 to defend the public entity or any other party from claims, or to
- 16 assume any liability or indemnify the public entity or any other
- 17 party for any amount greater than the degree of fault of the
- 18 Michigan-licensed architect, professional engineer, landscape
- 19 architect, or professional surveyor, THE LANDSCAPE ARCHITECT, or
- 20 the contractor and that of his or her respective subconsultants or
- 21 subcontractors. A contract provision executed in violation of this
- 22 section is against public policy and is void and unenforceable.
- 23 (3) For the purposes of this section, a contractor may be an
- 24 individual, sole proprietorship, partnership, corporation, limited
- 25 liability company, joint venture, construction manager, or other
- 26 business arrangement.
- 27 (4) As used in this section, "public entity" means this state

01508'13 b DAM

- 1 and all agencies thereof, any public body corporate within this
- 2 state and all agencies thereof, and any nonincorporated public body
- 3 within this state of whatever nature and all agencies thereof;
- 4 including, but not limited to, cities, villages, townships,
- 5 counties, school districts, intermediate school districts,
- 6 authorities, and community and junior colleges as provided for in
- 7 section 7 of article VIII of the state constitution of 1963, and
- 8 their employees and agents, including, but not limited to,
- 9 construction managers or other business arrangements retained by or
- 10 contracting with the public entity to manage or administer the
- 11 contract for the public entity. However, public entity does not
- 12 include institutions of higher education as described or provided
- 13 for in section 4 or 6 of article VIII of the state constitution of
- 14 1963, or their employees or agents.
- 15 (5) Nothing in this act affects the application of 1964 PA
- 16 170, MCL 691.1401 to 691.1419.
- 17 Enacting section 1. This amendatory act does not take effect
- 18 unless Senate Bill No. 513
- of the 97th Legislature is enacted into law.

01508'13 b Final Page DAM