HOUSE BILL 455

D35lr1771 HB 1302/14 - JUD CF SB 387 By: Delegates Parrott, Bromwell, Cluster, Kittleman, Moon, Valentino-Smith, and B. Wilson Introduced and read first time: February 9, 2015 Assigned to: Judiciary Committee Report: Favorable House action: Adopted Read second time: March 16, 2015 CHAPTER AN ACT concerning Agreements to Defend or Pay the Cost of Defense - Void FOR the purpose of providing that certain agreements to defend or pay the costs of defending certain promisees or indemnitees against liability for certain damages are against public policy and are void and unenforceable under certain circumstances; providing for the application of this Act; and generally relating to certain agreements to defend or pay the costs of defending certain promisees or indemnitees. BY repealing and reenacting, with amendments, Article – Courts and Judicial Proceedings Section 5–401(a) Annotated Code of Maryland (2013 Replacement Volume and 2014 Supplement) SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows: **Article - Courts and Judicial Proceedings** 5-401.A covenant, promise, agreement, or understanding in, or in connection (1) with or collateral to, a contract or agreement relating to architectural, engineering, inspecting, or surveying services, or the construction, alteration, repair, or maintenance of

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

<u>Underlining</u> indicates amendments to bill.

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Strike out indicates matter stricken from the bill by amendment or deleted from the law by amendment.

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- a building, structure, appurtenance or appliance, including moving, demolition, and excavating connected with those services or that work, purporting to indemnify the promisee against liability for damages arising out of bodily injury to any person or damage to property caused by or resulting from the sole negligence of the promisee or indemnitee, or the agents or employees of the promisee or indemnitee, is against public policy and is void and unenforceable.
- 7 **(2)** COVENANT, A PROMISE, AN AGREEMENT, OR AN8 UNDERSTANDING IN, OR IN CONNECTION WITH OR COLLATERAL TO, A CONTRACT OR 9 AN AGREEMENT RELATING TO ARCHITECTURAL, ENGINEERING, INSPECTING, OR SURVEYING SERVICES, OR THE CONSTRUCTION, ALTERATION, REPAIR, OR 10 11 MAINTENANCE OF A BUILDING, A STRUCTURE, AN APPURTENANCE OR APPLIANCE, 12 INCLUDING MOVING, DEMOLITION, AND EXCAVATING CONNECTED WITH THOSE 13 SERVICES OR THAT WORK, PURPORTING TO REQUIRE THE PROMISOR OR INDEMNITOR TO DEFEND OR PAY THE COSTS OF DEFENDING THE PROMISEE OR 14 15 INDEMNITEE AGAINST LIABILITY FOR DAMAGES ARISING OUT OF BODILY INJURY TO 16 ANY PERSON OR DAMAGE TO PROPERTY CAUSED BY OR RESULTING FROM THE SOLE 17 NEGLIGENCE OF THE PROMISEE OR INDEMNITEE, OR THE AGENTS OR EMPLOYEES 18 OF THE PROMISEE OR INDEMNITEE, IS AGAINST PUBLIC POLICY AND IS VOID AND 19 UNENFORCEABLE.
- [(2)] (3) This subsection does not affect the validity of any insurance contract, workers' compensation, any general indemnity agreement required by a surety as a condition of execution of a bond for a construction or other contract, or any other agreement issued by an insurer.
 - SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to apply only prospectively and may not be applied or interpreted to have any effect on or application to any cause of action arising before the effective date of this Act.
- SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2015.

Approved:	
	Governor.
	Speaker of the House of Delegates.
	Describert of the Courts

President of the Senate.