

HOUSE BILL 871

D3
HB 455/15 – JUD

6lr2577
CF SB 234

By: **Delegate Parrott**

Introduced and read first time: February 8, 2016

Assigned to: Judiciary

Committee Report: Favorable

House action: Adopted

Read second time: March 12, 2016

CHAPTER _____

1 AN ACT concerning

2 **Agreements to Defend or Pay the Cost of Defense – Void**

3 FOR the purpose of providing that certain agreements to defend or pay the costs of
4 defending certain promisees or indemnitees against liability for certain damages are
5 against public policy and are void and unenforceable under certain circumstances;
6 providing for the application of this Act; and generally relating to certain agreements
7 to defend or pay the costs of defending certain promisees or indemnitees.

8 BY repealing and reenacting, with amendments,
9 Article – Courts and Judicial Proceedings
10 Section 5–401(a)
11 Annotated Code of Maryland
12 (2013 Replacement Volume and 2015 Supplement)

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
14 That the Laws of Maryland read as follows:

15 **Article – Courts and Judicial Proceedings**

16 5–401.

17 (a) (1) A covenant, promise, agreement, or understanding in, or in connection
18 with or collateral to, a contract or agreement relating to architectural, engineering,
19 inspecting, or surveying services, or the construction, alteration, repair, or maintenance of
20 a building, structure, appurtenance or appliance, including moving, demolition, and

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

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



1 excavating connected with those services or that work, purporting to indemnify the
 2 promisee against liability for damages arising out of bodily injury to any person or damage
 3 to property caused by or resulting from the sole negligence of the promisee or indemnitee,
 4 or the agents or employees of the promisee or indemnitee, is against public policy and is
 5 void and unenforceable.

6 **(2) A COVENANT, A PROMISE, AN AGREEMENT, OR AN**
 7 **UNDERSTANDING IN, OR IN CONNECTION WITH OR COLLATERAL TO, A CONTRACT OR**
 8 **AN AGREEMENT RELATING TO ARCHITECTURAL, ENGINEERING, INSPECTING, OR**
 9 **SURVEYING SERVICES, OR THE CONSTRUCTION, ALTERATION, REPAIR, OR**
 10 **MAINTENANCE OF A BUILDING, A STRUCTURE, AN APPURTENANCE, OR AN**
 11 **APPLIANCE, INCLUDING MOVING, DEMOLITION, AND EXCAVATING CONNECTED**
 12 **WITH THOSE SERVICES OR THAT WORK, PURPORTING TO REQUIRE THE PROMISOR**
 13 **OR INDEMNITOR TO DEFEND OR PAY THE COSTS OF DEFENDING THE PROMISEE OR**
 14 **INDEMNITEE AGAINST LIABILITY FOR DAMAGES ARISING OUT OF BODILY INJURY TO**
 15 **ANY PERSON OR DAMAGE TO PROPERTY CAUSED BY OR RESULTING FROM THE SOLE**
 16 **NEGLIGENCE OF THE PROMISEE OR INDEMNITEE, OR THE AGENTS OR EMPLOYEES**
 17 **OF THE PROMISEE OR INDEMNITEE, IS AGAINST PUBLIC POLICY AND IS VOID AND**
 18 **UNENFORCEABLE.**

19 **[(2)] (3)** This subsection does not affect the validity of any insurance
 20 contract, workers' compensation, any general indemnity agreement required by a surety as
 21 a condition of execution of a bond for a construction or other contract, or any other
 22 agreement issued by an insurer.

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to
 24 apply only prospectively and may not be applied or interpreted to have any effect on or
 25 application to any cause of action arising before the effective date of this Act.

26 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
 27 October 1, 2016.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.