

MSS GOVERNMENT AFFAIRS COMMITTEE HB79/SB161 – Prohibited Indemnity & Defense Liability Agreements <u>SUPPORT</u>

The members of the Maryland Society of Surveyors do not believe that a design professional (i.e. professional land surveying firms) should be expected to pay all the indemnity and the defense costs of other parties in claims, when the surveyor bears no responsibility and are not the proximate cause of the injury or loss to be considered an equitable allocation of risk.

When a design professional agrees to a contract, they can be exposed to uninsured liability. This liability can adversely affect the profitability of small firms. Many surveying firms are small firms, which are unable to absorb these types of unanticipated expenses.

HB79/SB161 would prevent the assignment of liability to design professionals for injury or damages for which they are not the proximate cause. It does not inhibit the filing of claims, limit the liability of the responsible parties, or reduce the awards payable to a claimant.

Design professionals are willing to assume liability that can be attributed to their fault but have concerns when contracts require indemnification or duty to defend claims for which they are *not* a responsible party to the claim.

A favorable vote on HB79/SB161 would be appreciated.