

MAINE STATE LEGISLATURE

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L.D. 1761

Date: 6/6/25

(Filing No. H-545)

HEALTH COVERAGE, INSURANCE AND FINANCIAL SERVICES

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STATE OF MAINE HOUSE OF REPRESENTATIVES 132ND LEGISLATURE FIRST SPECIAL SESSION

COMMITTEE AMENDMENT "A" to H.P. 1179, L.D. 1761, "An Act to Prohibit Indemnification Agreements"

Amend the bill by striking out the title and substituting the following:

'An Act to Prohibit the Transfer of Liability Relating to a Party's Own Negligence or Liability in Contracts'

Amend the bill by striking out everything after the enacting clause and inserting the following:

'Sec. 1. 10 MRSA c. 201-B is enacted to read:

CHAPTER 201-B

TRANSFER OF LIABILITY PROVISIONS IN CONTRACTS PROHIBITED

§1120-E. Transfer of liability provisions in contracts prohibited

1. Transfer of liability provisions void and unenforceable. A provision or agreement in a contract that purports to transfer or has the effect of transferring to another party liability for negligence arising out of a party's own negligence or liability for a party's own liability arising out of an intentional act or omission is void and unenforceable.

2. Additional insured not prohibited. This section does not prohibit an agreement from including any party as an additional insured in an insurance policy.

3. Exception. This section does not affect the validity of:

A. An insurance policy for workers' compensation or any other insurance policy or agreement issued by an insurer authorized to engage in the business of insurance in this State;

B. A surety bond issued by an entity authorized to engage in the business of acting as a surety in this State; or

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COMMITTEE AMENDMENT "A" to H.P. 1179, L.D. 1761

1 C. A release or waiver of liability agreement or other similar agreement related to a
2 party's own assumption of risk or indemnification.

3 **Sec. 2. Application.** This Act applies to contracts entered into or renewed on or after
4 January 1, 2026.'

5 Amend the bill by relettering or renumbering any nonconsecutive Part letter or section
6 number to read consecutively.

7 **SUMMARY**

8 This amendment replaces the bill and changes the title. The amendment prohibits the
9 inclusion of transfer of liability provisions in contracts in which a party transfers liability
10 for negligence arising out of a party's own negligence or liability for a party's own liability
11 arising out of an intentional act or omission. The amendment does not affect the validity of
12 workers' compensation or other insurance policies, the validity of surety bonds or the
13 validity of any release or waiver of liability agreements or similar agreements related to a
14 party's own assumption of risk or indemnification. The amendment applies to contracts
15 entered into or renewed on or after January 1, 2026.

16 **FISCAL NOTE REQUIRED**

17 (See attached)



132nd MAINE LEGISLATURE

LD 1761

LR 1911(02)

An Act to Prohibit Indemnification Agreements

Fiscal Note for Bill as Amended by Committee Amendment "A" (H-545)
Committee: Health Coverage, Insurance and Financial Services
Fiscal Note Required: Yes

Fiscal Note

Minor cost increase - General Fund

Fiscal Detail and Notes

Any additional costs to the Office of the Attorney General from the provisions of this bill are expected to be minor and can be absorbed within existing budgeted resources.