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FISCAL IMPACT REPORT

SPONSOR	<u>Leavell</u>	ORIGINAL DATE	<u>02/04/09</u>	HB	<u></u>
		LAST UPDATED	<u></u>	SB	<u>119</u>
SHORT TITLE	<u>Invalidate Indemnity for Motor Carriers</u>			ANALYST	<u>Lucero</u>

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Public Safety (DPS)

Public Regulation Commission (PRC)

SUMMARY

Synopsis of Bill

Senate Bill 119 proposes to add a new section to the Motor Carrier Act. The bill makes a provision or agreement contained in, collateral to or affecting a Motor Carrier Transportation contract that requires one party to indemnify or hold harmless another party to the contract from liability for loss or damage resulting from the negligence of that other party, its agents, employees or independent contractors is against public policy of this state and is void and unenforceable.

FISCAL IMPLICATIONS

New laws, amendments to existing laws and new hearings have the potential to increase caseloads in the courts, thus requiring additional resources to handle the increase.

SIGNIFICANT ISSUES

The bill will require that all responsible parties in a Motor Carrier Transportation Contract provide their own liability coverage.

ADMINISTRATIVE IMPLICATIONS

The bill provides for contract provisions of motor carriers. According to the Public Regulation Commission (PRC) and the Department of Public Safety (DPS) there is no impact to state agencies.

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