HOUSE BILL 407

48TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2007

INTRODUCED BY

Daniel P. Silva

FOR THE REVENUE STABILIZATION AND TAX POLICY COMMITTEE

AN ACT

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RELATING TO MOTOR CARRIERS; INVALIDATING INDEMNITY PROVISIONS IN MOTOR CARRIER TRANSPORTATION CONTRACTS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. A new section of the Motor Carrier Act is enacted to read:

"[NEW MATERIAL] INDEMNITY PROVISIONS IN MOTOR CARRIER TRANSPORTATION CONTRACTS VOID. --

A provision or agreement contained in, collateral to or affecting a motor carrier transportation contract that requires one party to the contract to indemnify or hold harmless, or that has the effect of indemnifying or holding harmless, another party to the contract from liability for loss or damage resulting from the negligence or intentional acts or omissions of that other party, or agents, employees or

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independent contractors that are directly responsible to that party, is against the public policy of this state and is void and unenforceable.

- B. A provision in a motor carrier transportation contract that requires a party to provide liability coverage to another party, as an additional insured, for the other party's negligence or intentional acts or omissions is against the public policy of this state and is void and unenforceable.
- C. As used in this section, "motor carrier
 transportation contract":
- (1) means a contract, agreement or understanding covering:
- (a) the transportation of property for compensation or hire by the motor carrier;
- (b) the entrance on real property by the motor carrier for the purpose of loading, unloading or transporting property for compensation or hire; or
- (c) a service incidental to an activity described in Paragraph (1) or (2) of this subsection, including storage of property; and
- (2) does not include the Uniform Intermodal
 Interchange and Facilities Access Agreement administered by the
 intermodal association of North America or other agreements
 providing for the interchange, use or possession of intermodal
 chassis or other intermodal equipment."

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Section 2. APPLICABILITY.--The provisions of this act are applicable to motor carrier transportation contracts entered into or renewed on or after July 1, 2007.

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