

SENATE
STATE OF MINNESOTA
EIGHTY-EIGHTH LEGISLATURE

S.F. No. 561

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DATE	D-PG	OFFICIAL STATUS
02/18/2013	281	Introduction and first reading Referred to Judiciary
03/20/2013	1299a	Comm report: To pass as amended and re-refer to Commerce
03/21/2013	1389a	Comm report: To pass as amended and re-refer to Judiciary
04/02/2013	1500a	Comm report: To pass as amended
	1668	Second reading
05/14/2013	3596a	Special Order: Amended
	3597	Third reading Passed
05/17/2013	3996	Returned from House Presentment date 05/21/13 Governor's action Approval 05/24/13 Secretary of State Chapter 88 05/24/13 Effective date 08/01/13

A bill for an act

1.1
 1.2 relating to commerce; regulating building and construction contracts; prohibiting
 1.3 certain agreements to insure; amending Minnesota Statutes 2012, section 337.05,
 1.4 subdivision 1.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2012, section 337.05, subdivision 1, is amended to read:

1.7 Subdivision 1. **Agreements valid.** (a) Except as otherwise provided in paragraph
 1.8 (b), sections 337.01 to 337.05 do not affect the validity of agreements whereby a promisor
 1.9 agrees to provide specific insurance coverage for the benefit of others.

1.10 (b) A provision that requires a party to provide insurance coverage to one or more
 1.11 other parties, including third parties, for the negligence or intentional acts or omissions
 1.12 of any of those other parties, including third parties, is against public policy and is void
 1.13 and unenforceable.

1.14 (c) Paragraph (b) does not affect the validity of a provision that requires a party to
 1.15 provide or obtain workers' compensation insurance, construction performance or payment
 1.16 bonds, or project-specific insurance, including, without limitation, builder's risk policies
 1.17 or owner or contractor-controlled insurance programs or policies.

1.18 (d) Paragraph (b) does not affect the validity of a provision that requires the promisor
 1.19 to provide or obtain insurance coverage for the promisee's vicarious liability, or liability
 1.20 imposed by warranty, arising out of the acts or omissions of the promisor.

1.21 (e) Paragraph (b) does not apply to building and construction contracts for work
 1.22 within fifty feet of public or private railroads, or railroads regulated by the Federal
 1.23 Railroad Administration.

- 2.1 **EFFECTIVE DATE; APPLICATION.** This section is effective August 1, 2013,
- 2.2 and applies to agreements entered into on or after that date.