

**CHAPTER 88—S.F.No. 561**

*An act relating to commerce; regulating building and construction contracts; prohibiting certain agreements to insure; amending Minnesota Statutes 2012, section 337.05, subdivision 1.*

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

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

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

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

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

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

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

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

Presented to the governor May 21, 2013

Signed by the governor May 24, 2013, 2:43 p.m.