

**466.132 INDEMNIFICATION BY STATE.**

Municipalities, when performing, as required or mandated by state law, inspections or investigations of persons prior to the issuance of state licenses, are employees of the state for purposes of the indemnification provisions of section 3.736, subdivision 9. A municipality is not, however, an employee of the state for purposes of this section if in hiring, supervising, or continuing to employ the person performing an inspection or investigation for the municipality, the municipality was clearly negligent. In no event shall the state be obligated to defend or indemnify a municipality for inspections or investigations relating to licensing to the extent of insurance purchased by the municipality covering liability therefor. The municipality's right to indemnity shall not be considered a waiver of the limitations, defenses, and immunities available to the municipality and state by law.

**History:** 1986 c 455 s 90; 1988 c 411 s 8