

HOUSE BILL NO. 347

INTRODUCED BY S. FITZPATRICK

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A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING THAT A PROVISION IN A MOTOR CARRIER TRANSPORTATION CONTRACT THAT REQUIRES CERTAIN TYPES OF CROSS-PARTY INDEMNIFICATION IS VOID; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN APPLICABILITY DATE."

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

NEW SECTION. Section 1. Motor carrier transportation contract indemnification -- limitation. (1)

Except as provided in subsection (2), a motor carrier transportation contract provision that requires one party to the contract to indemnify, hold harmless, insure, or defend the other party to the contract or the other party's officers, employees, or agents for liability, damages, losses, or costs that are caused by the negligence, recklessness, or intentional misconduct of the other party or the other party's officers, employees, or agents is void as against the public policy of this state.

(2) A motor carrier transportation contract may contain a provision requiring one party to the contract to indemnify, hold harmless, or insure the other party to the contract or the other party's officers, employees, or agents for liability, damages, losses, or costs, including but not limited to reasonable attorney fees, only to the extent that the liability, damages, losses, or costs are caused by the negligence, recklessness, or intentional misconduct of a third party or of the indemnifying party or the indemnifying party's officers, employees, or agents.

(3) This section does not apply to 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 containers or other intermodal equipment.

(4) As used in this section, the following definitions apply:

- (a) "Motor carrier" has the meaning provided in 61-1-101.
- (b) "Motor carrier transportation contract" means a contract, agreement, or understanding covering:
 - (i) the transportation of property for compensation or hire by a motor carrier;
 - (ii) entrance onto a property by a motor carrier for the purpose of loading, unloading, or transporting property for compensation or hire; or
 - (iii) a service incidental to an activity described in subsection (4)(a) or (4)(b), including but not limited to

1 storage of property.

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3 NEW SECTION. **Section 2. Codification instruction.** [Section 1] is intended to be codified as an
4 integral part of Title 28, chapter 2, and the provisions of Title 28, chapter 2, apply to [section 1].

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6 NEW SECTION. **Section 3. Effective date.** [This act] is effective on passage and approval.

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8 NEW SECTION. **Section 4. Applicability.** [This act] applies to motor carrier transportation contracts
9 entered into or renewed on or after [the effective date of this act].

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