

- SUBJECT:** Contractual indemnification provisions in motor carrier contracts
- COMMITTEE:** Transportation — favorable, without amendment
- VOTE:** 8 ayes — Alexander, Bosse, Alonzo, Clemons, Moreno, Price, Siebert, Uher
0 nays
1 absent — Edwards
- WITNESSES:** For — Bill Haley and Tim Herman, Texas Motor Transportation Association
Against — None
- BACKGROUND:** Texas Administrative Code sec. 5.142 limits indemnification by motor carriers "any wrongful or negligent act or omission on the part of the motor carrier, its officers, agents or employees." However, after federal deregulation of intrastate trucking on January 1, 1995, the scope of the indemnification clauses in contracts were no longer restricted. Many shipper-written contracts provide that the carrier must indemnify and hold harmless the shipper and all the shipper's subcontractors for their actions as well as the actions of the motor carrier itself.
- DIGEST:** HB 2517 would add a section to VACS art. 6701-11 prohibiting an individual from requiring indemnification from a motor carrier as a condition of hiring the carrier or entering property to load or unload goods, other than as relates to claims resulting from acts by the carrier itself.