

# Legislative Analysis

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## **SNOWPLOW & DE-ICING SERVICES: VOID CERTAIN INDEMNITY CLAUSES**

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<http://www.house.mi.gov/hfa>

**House Bill 5230 (Substitute H-1, proposed)  
Sponsor: Rep. Ken Yonker  
Committee: Judiciary  
Complete to 3-22-16**

Analysis available at  
<http://www.legislature.mi.gov>

### **SUMMARY:**

The bill creates a new act to make an indemnity contract relating to commercial snowplow and de-icing services void and unenforceable if the contract requires the service provider to indemnify, defend, or hold the service receiver harmless from liability for losses or damages that result from the negligence of the service receiver.

The bill would take effect 90 days after enactment and apply to a commercial snowplow and de-icing services contract entered into after September 30, 2015.

House Bill 5230 specifies that a provision, clause, covenant, or agreement that is contained in or affecting a commercial snowplow and de-icing services contract that purports to require a service provider to indemnify, defend, or hold harmless (or that has the effect of doing so) the service receiver from or against liability for loss or damage resulting from the negligence or omissions of the service receiver would be against the public policy of the state and would be void and unenforceable.

"Commercial snowplow and de-icing services contract" is defined to mean a contract, agreement, or understanding to which all of the following apply:

- The contract covers plowing, shoveling, or other removing of snow or other mixed precipitation from a surface; de-icing services; or a service incidental to any of those services including, but not limited to, driving or otherwise moving snowplow and de-icing equipment and materials.
- The contract is between a service receiver and a service provider.
- The contract requires snow or mixed precipitation removal to be performed on real property where business is conducted, including, but not limited to, a restaurant, bank, retail store, hotel, homeowner's association, condominium, and apartment complex.

The term would not include a contract between a resident of a single-family home and a service provider that requires snow removal to be performed on single-family residential property.

"Service receiver" would mean the service receiver and any agents, employees, servants, or independent contractors who are directly or indirectly responsible to the service receiver.

**FISCAL IMPACT:**

A fiscal analysis is in process.

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.