

STATE OF NEW YORK

5239

2017-2018 Regular Sessions

IN SENATE

March 16, 2017

Introduced by Sen. DeFRANCISCO -- read twice and ordered printed, and
when printed to be committed to the Committee on Judiciary

AN ACT to amend the general obligations law, in relation to the invalidity of additional insurance provisions

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Subdivision 1 of section 5-322.1 of the general obligations
2 law, as amended by chapter 67 of the laws of 1993, is amended to read as
3 follows:

4 1. A covenant, promise, agreement or understanding in, or in
5 connection with or collateral to a contract or agreement relative to the
6 construction, alteration, repair or maintenance of a building, struc-
7 ture, appurtenances and appliances including moving, demolition and
8 excavating connected therewith, purporting to indemnify or hold harmless
9 the promisee against liability for damage arising out of bodily injury
10 to persons or damage to property contributed to, caused by or resulting
11 from the negligence of the promisee, his agents or employees, or indem-
12 nitee, whether such negligence be in whole or in part, is against public
13 policy and is void and unenforceable; provided that this section shall
14 not affect the validity of any insurance contract, workers' compensation
15 agreement or other agreement issued by an admitted insurer; provided
16 further, that a provision in a construction contract that requires the
17 purchase of additional insured coverage, or any coverage endorsement, or
18 provision within an insurance policy providing additional insured cover-
19 age, is void and unenforceable to the extent that it requires coverage,
20 the scope of which is prohibited under this subdivision. This subdivi-
21 sion shall not preclude a promisee requiring indemnification for damages
22 arising out of bodily injury to persons or damage to property caused by
23 or resulting from the negligence of a party other than the promisee,
24 whether or not the promisor is partially negligent.

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

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1 § 2. This act shall take effect on the thirtieth day after it shall
2 have become a law and shall apply only to any covenants, promises,
3 agreements or understandings in, or in connection with or collateral to
4 a contract or agreement entered into on or after such date.