

Ohio Legislative Service Commission

Final Analysis

David M. Gold

H.B. 71

131st General Assembly (As Passed by the General Assembly)

Reps. Roegner, Blessing, Green, Sears, Derickson, Schaffer, Boose, Bishoff, Stinziano, Dever, Amstutz, Anielski, Brenner, Buchy, Burkley, Conditt, Dovilla, Henne, Kraus, McColley, Retherford, Schuring, R. Smith, Terhar, Young, Rosenberger

Sens. Bacon, Burke, Hottinger, Jones, Oelslager, Patton, Schiavoni, Seitz, Tavares, Thomas

Effective date: March 23, 2016

ACT SUMMARY

• Declares void indemnification or hold harmless provisions in certain motor vehicle transportation contracts.

CONTENT AND OPERATION

Indemnification provisions in motor vehicle transportation contracts

The act declares void as against public policy a provision contained in, collateral to, or affecting a motor carrier transportation contract that indemnifies, defends, or holds harmless the "promisee" from or against any liability for loss or damage resulting from the negligence or intentional acts or omissions of the promisee. A "motor carrier" is a person engaged in the business of transporting persons or property by motor vehicle, other than certain types of intrastate commerce. A promisee is a person, other than another motor carrier, who enters into an agreement with a motor carrier.

Contracts affected

The contracts affected by the act are those that involve any of the following:

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¹ R.C. 2305.52(A).

² R.C. 2305.52(C)(1), incorporating by reference R.C. 4923.01.

³ R.C. 2305.52(C)(3).

- The transportation of property for compensation or hire by a motor carrier;
- Entrance onto property by a motor carrier for the purpose of loading, unloading, or transporting property for compensation or hire;
- A service incidental to the foregoing activities.⁴

The act does not apply to the Uniform Interchange and Facilities Access Agreement administered by the Intermodal Association of North America or to other agreements providing for the interchange, use, or possession of intermodal chassis or other intermodal equipment (see **COMMENT**).⁵

Contracts not affected

The types of intrastate commerce that do not cause a person to be a motor carrier, and thus are not affected by the act, are:

- The transportation of persons in taxicabs in the usual taxicab service;
- The transportation of pupils in school busses operating to or from school sessions or school events;
- The transportation of farm supplies to the farm or farm products from farm to market or to food fabricating plants;
- The distribution of newspapers;
- The transportation of crude petroleum incidental to gathering from wells and delivery to destination by pipe line;
- The transportation of injured, ill, or deceased persons by hearse or ambulance;
- The transportation of compost or shredded bark mulch;
- The transportation of persons in a ridesharing arrangement when any fee charged each person so transported is in such amount as to recover only the person's share of the costs of operating the motor vehicle for such purpose;

⁴ R.C. 2305.52(C)(2).

⁵ R.C. 2305.52(B).

• The operation of motor vehicles for contractors on public road work.⁶

COMMENT

According to a website maintained by the Intermodal Association of North America, the Uniform Intermodal Interchange and Facilities Access Agreement (UIIA) "is a standard bilateral industry contract between intermodal motor carriers/drayage companies and ocean, rail carriers and/or leasing companies (equipment providers). The UIIA was developed as a means of achieving a degree of uniformity in the equipment interchange process." A motor carrier accessing an intermodal facility for the purpose of picking up or dropping of intermodal equipment assumes the liability for the carrier's activity. If a dispute arises between a motor carrier and equipment provider, either party can suspend or terminate the business relationship under the Agreement without jeopardizing the right to do business with other participants.⁷

HISTORY

ACTION	DATE
Introduced Reported, H. Judiciary Passed House (92-2) Reported, S. Civil Justice Passed Senate (32-1)	02-18-15 03-25-15 04-29-15 10-19-15 12-09-15
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⁷ See <u>www.uiia.org/assets/documents/uiia-overview.pdf</u>.



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⁶ R.C. 2305.52(C)(1), incorporating by reference R.C. 4923.01.