



# 127th MAINE LEGISLATURE

LD 587

LR 1018(01)

## An Act Regarding Contract Indemnification

### Preliminary Fiscal Impact Statement for Original Bill

Sponsor: Sen. Cushing of Penobscot

Committee: Labor, Commerce, Research and Economic Development

Fiscal Note Required: Yes

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## Preliminary Fiscal Impact Statement

Potential current biennium cost increase - Highway Fund

Potential current biennium cost increase - Maine Turnpike Authority

### Fiscal Detail and Notes

This legislation prohibits certain indemnification agreements in construction contracts. The uncertainty over who is financially responsible for injuries and damages on construction projects could increase the complexity and expense of litigation and ultimately raise construction costs to the Department of Transportation or the Maine Turnpike Authority.