



Testimony of
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**Before the Joint Standing Committee on Judiciary on LD 1761, An Act to
Prohibit Indemnification Agreements**

Wednesday, January 7, 2026

Senator Carney, Representative Kuhn, and members of the Joint Standing Committee on Judiciary, my name is Dana Doran, and I am the Executive Director of the Professional Logging Contractors of the Northeast (PLC). The PLC is a regional non-profit organization that educates the public on logging and trucking issues throughout the Northeast, predominately in the state of Maine.

As background, the PLC was created in 1995 to give logging and associated trucking contractors a voice in a rapidly changing forest products industry. As of 2021, logging and trucking contractors in Maine employed over 3,000 people directly and were indirectly responsible for the creation of an additional 2,500 jobs. This employment and the investments that contractors make contribute \$582 million to the state's economy annually. Our membership, which includes over 200 contractor members in the state is responsible for more than 80% of Maine's annual timber harvest.

Thank you for providing me the opportunity to testify on behalf of our membership in support of LD 1761, An Act to Prohibit Indemnification Agreements. This bill would make a much needed change in statute which is of great importance to your industry. For decades, the lack of clarity on this issue has precipitated unfair practices to be included in contracts that force one party, often a smaller business or contractor, to take legal and financial responsibility for the negligence of who they may be contracted with, with no opportunity for recourse.

As an example, when a logging contractor enters into a service agreement with a landowner or land management company, they may be required to sign an indemnification or hold harmless agreement. Such agreements typically hold the contractor financially responsible for negligent or intentional actions committed by the landowner or land management company. Attached to my testimony is sample language from a contract we received from one of our members. If you take a moment to review

the document, the indemnification clause clearly articulates its intended scope and purpose. Indemnification agreements are unfair and shift the risk from the responsible party to the contractor, who has no control over the negligence of who they work for.

These agreements are concerning because small, independent contractors, often lack the bargaining power to negotiate with larger companies and may be pressured into accepting terms that would shift liability and expose them to significant financial risk. This has been an issue for timber harvesting contractors for decades and it is time to rectify it in law so that this preponderance of control cannot continue to be precipitated,

We respectfully urge the committee to vote ought to pass, and I would be happy to answer any questions you may have.

4. **INDEMNIFICATION:** CONTRACTOR shall indemnify, protect, defend and hold **LO** harmless against (i) all damage to the Premises caused by CONTRACTOR, its subcontractors, their agents and employees, and (ii) all claims, suits, demands, damages to persons or property, judgments (including attorney's fees relating thereto), asserted by CONTRACTOR, by any third party or by any employees or

agents of CONTRACTOR (including any lawsuit or administrative action) because of any acts or omissions of CONTRACTOR, any subcontractor of CONTRACTOR and/or **LO**, their agents or employees, on or off Premises arising directly or indirectly from the performance of this Agreement, and including costs and attorneys fees incurred by **LO** in enforcing the provisions of this indemnity agreement. The CONTRACTOR understands and agrees that this indemnification agreement shall be applicable even under circumstances when **LO** is partially and/or solely negligent.

CONTRACTOR hereby expressly waives any immunity available to it or its agents under the applicable state Workers Compensation Act, and hereby assumes potential liability for the defense and indemnification of any action brought against **LO** by CONTRACTOR's employees or agents because of any act or omission of CONTRACTOR, any subcontractor of CONTRACTOR and/or **LO**, their employees or agents, on or off Premises whether or not committed under the terms of this Agreement.