

**ARKANSAS SENATE**  
86th General Assembly - Regular Session, 2007  
**Amendment Form**

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**Subtitle of House Bill No. 1387**

"TO PROMOTE INSURANCE COVERAGE FOR CONSTRUCTION CONTRACTS AND TO  
PROTECT THE CONSTRUCTION INDUSTRY FROM INSURANCE POLICY  
LIMITATIONS."

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**Amendment No. 1 to House Bill No. 1387.**

Amend House Bill No. 1387 as engrossed, H2/15/07 (version: 02-15-2007 08:57):

Page 2, delete line 19, and substitute the following:

"(b) A clause"

AND

Page 2, delete lines 23 and 24, and substitute the following:

"or public construction agreement is required to indemnify, defend, or hold  
harmless another party against"

AND

Page 2, delete lines 31 through 36

AND

Page 3, delete line 1

AND

Page 3, line 2, delete "(d)" and substitute "(c)"

AND

Page 3, line 7, delete "(e)" and substitute "(d)"

AND

Page 3, line 11, insert the following language:

"(e) This section shall not apply to a public construction contract or  
public construction agreement in which:

(1) The first party indemnifies, defends, or holds harmless the



second party from the first party's negligence or fault or from the negligence or fault of the first party's agent, representative, subcontractor or supplier;

(2) The first party requires the second party to provide liability insurance coverage for the first party's negligence or fault if the public construction contract or public construction agreement requires the second party to obtain insurance and the public construction contract or public construction agreement limits the second party's obligation to the cost of the required insurance;

(3) The first party requires the second party to provide liability insurance coverage for the first party's negligence or fault under a separate insurance contract with an insurance provider; or

(4) The first party requires the second party to name the first party as an additional insured as a part of the public construction agreement or public construction contract."

AND

Page 4, delete line 5, and substitute the following:

"(b) A clause"

AND

Page 4, delete line 9, and substitute the following:

"agreement is required to indemnify,"

AND

Page 4, delete lines 17 through 23

AND

Page 4, line 24, delete "(d)" and substitute "(c)"

AND

Page 4, line 28, delete "(e)" and substitute "(d)"

AND

Page 4, line 32, insert the following language:

"(e) This section shall not apply to a construction contract or construction agreement in which:

(1) The first party indemnifies, defends, or holds harmless the second party from the first party's negligence or fault or from the negligence or fault of the first party's agent, representative, subcontractor or supplier;

(2) The first party requires the second party to provide liability insurance coverage for the first party's negligence or fault if the construction contract or construction agreement requires the second party to obtain insurance and the construction contract or construction agreement limits the second party's obligation to the cost of the required insurance;

(3) The first party requires the second party to provide liability insurance coverage for the first party's negligence or fault under a separate insurance contract with an insurance provider; or

(4) The first party requires the second party to name the first party as an additional insured as a part of the construction agreement or construction contract."

The Amendment was read the first time, rules suspended and read the second time and \_\_\_\_\_

By: Senator Salmon

LMG/KSW - 02-27-2007 10:54

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Secretary