

**Enrolled**  
**Senate Bill 961**

Sponsored by Senator MORSE

CHAPTER .....

AN ACT

Relating to construction agreements; and declaring an emergency.

**Be It Enacted by the People of the State of Oregon:**

**SECTION 1.** (1) Except as provided in this section, a provision in a construction agreement is void to the extent that the provision requires a party or the party's surety or insurer to waive a right of subrogation, indemnity or contribution for amounts paid by reason of death or bodily injury, or damage to property, caused in whole or in part by the negligence of another person.

(2) This section does not apply to a provision for waiver of subrogation, indemnity or contribution in an insurance policy issued pursuant to ORS 737.602 or to a provision for waiver of subrogation, indemnity or contribution that applies to proceeds of a property insurance policy.

(3) This section does not apply to a provision for waiver of subrogation, indemnity or contribution in a real property lease or rental agreement between a landlord and tenant, whether or not any provision of the lease or rental agreement relates to or involves planning, designing, constructing, altering, repairing, improving or maintaining, as long as the predominant purpose of the lease or rental agreement is not planning, designing, constructing, altering, repairing, improving or maintaining real property.

(4) This section does not apply to a provision for waiver of subrogation, indemnity or contribution in a personal property lease or rental agreement.

(5) This section does not apply to a provision for waiver of subrogation, indemnity or contribution in a construction agreement in which one of the parties is a railroad as defined in ORS 824.200.

(6) As used in this section, "construction agreement" has the meaning given that term in ORS 30.140.

**SECTION 2.** This 2011 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2011 Act takes effect on its passage.

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**Passed by Senate May 4, 2011**

**Repassed by Senate June 10, 2011**

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Robert Taylor, Secretary of Senate

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Peter Courtney, President of Senate

**Passed by House June 7, 2011**

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Bruce Hanna, Speaker of House

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Arnie Roblan, Speaker of House

**Received by Governor:**

.....M,....., 2011

**Approved:**

.....M,....., 2011

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John Kitzhaber, Governor

**Filed in Office of Secretary of State:**

.....M,....., 2011

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Kate Brown, Secretary of State