

HCS HB 1067 -- LIABILITY OF PRIVATE CONTRACTORS

SPONSOR: Parker

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on Commerce by a vote of 7 to 0.

The following is a summary of the House Committee Substitute for HB 1067.

This bill provides that when performing work according to the plans and specifications approved by the Department of Transportation (MODOT), private contractors, subcontractors, and the employees of the private contractors and subcontractors have sovereign or governmental tort immunity to the same extent as a public entity, except as provided in Section 210.114, RSMo, and includes the limitation on awards for liability provided in Section 537.610. The immunity for the claims commences upon the official notice to proceed and continues after MODOT formally accepts the completed project.

The following is a summary of the public testimony from the committee hearing. The testimony was based on the introduced version of the bill.

PROPOSERS: Supporters say that contractors follow national standards to ensure the public's safety. While MODOT has the immunity, the private contractors assume the risk and end up paying on the frivolous lawsuits that are filed. Contractors are sued prior to the work being done on the project and may not have contributed to the negligence. The bill is necessary to provide continuity with the projects, reduce risks and liability, and encourages contractors to participate if they are provided the same immunity as a public entity.

Testifying in person for the bill were Representative Parker; Christopher Ryan West; Brian Johanning, Superior Bowen; Christopher West, West Contracting; Dale Williams, Missouri Asphalt Pavement Association; American Council of Engineering Companies-Missouri; Associated General Contractors; and Steve Jackson, N.B. West Contracting Company.

OPPOSERS: Those who oppose the bill say that the immunity language in the bill is broad, without any guardrails. The exceptions for sovereign immunity currently apply to negligent operation of a motor vehicle or dangerous condition of land. There is a cap to the liability in a different statute which is \$500,000. Contractors do purchase liability insurance coverage.

Testifying in person against the bill was Mark Parrish.

Written testimony has been submitted for this bill. The full written testimony and witnesses testifying online can be found under Testimony on the bill page on the House website.