

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1541 Session of
2025

INTRODUCED BY HOHENSTEIN, M. BROWN, HILL-EVANS, SANCHEZ,
WEBSTER, OLSOMMER, GALLAGHER, GUENST, KOZAK, WARREN AND
OTTEN, JUNE 3, 2025

REFERRED TO COMMITTEE ON JUDICIARY, JUNE 3, 2025

AN ACT

1 Amending the act of July 9, 1970 (P.L.484, No.164), entitled "An
2 act relating to indemnification agreements between
3 architects, engineers or surveyors and owners, contractors,
4 subcontractors or suppliers and indemnification agreements
5 relating to snow removal or ice control services," providing
6 for void and unenforceable provisions or terms in
7 construction contracts and for insurance coverage for
8 additional insureds; and making editorial changes.

9 The General Assembly of the Commonwealth of Pennsylvania
10 hereby enacts as follows:

11 Section 1. The title of the act of July 9, 1970 (P.L.484,
12 No.164), entitled "An act relating to indemnification agreements
13 between architects, engineers or surveyors and owners,
14 contractors, subcontractors or suppliers and indemnification
15 agreements relating to snow removal or ice control services," is
16 amended to read:

17 AN ACT

18 Relating to indemnification agreements between architects,
19 engineers or surveyors and owners, contractors,
20 subcontractors or suppliers [and], indemnification agreements

relating to snow removal or ice control services[.] and
indemnification agreements relating to construction
contracts.

Section 2. The act is amended by adding sections to read:

Section 1.2. The following apply to provisions or terms in a
construction contract which are void and unenforceable:

(1) A provision or term in a construction contract in which
a party shall be indemnified, held harmless or insured for
damages, claims, losses or expenses arising out of bodily injury
to persons, damage to property or economic damage caused by or
resulting from the party's negligence, in whole or in part,
shall be void as against public policy and unenforceable.

(2) As used in this section:

(i) The term "construction contract" means a covenant,
agreement or understanding in, or in connection with, a contract
or agreement made and entered into by a party relative to the
design, construction, reconstruction, alteration, repair,
maintenance, demolition, servicing or security of a building,
structure, highway, railroad, appurtenance, land development or
appliance.

(ii) The term "party" means an owner, contractor,
subcontractor, supplier, architect, engineer or land surveyor,
or an agent or employe of an owner, contractor, subcontractor,
supplier, architect, engineer or land surveyor.

Section 1.3. The following apply to insurance coverage for
an additional insured:

(1) If a construction contract requires insurance coverage
to be provided to an additional insured and the additional
insured is added to the relevant general liability insurance
policy prior to any loss involving the additional insured, the

1 insurance coverage afforded to the additional insured shall not
2 be broader than that which is required by the construction
3 contract to provide for the additional insured.

4 (2) The insurance coverage afforded to an additional insured
5 in a construction contract shall only apply to the extent
6 permitted by law.

7 (3) As used in this section:

8 (i) The term "additional insured" means an individual or
9 entity that is added to a general liability insurance policy to
10 extend coverage beyond the named insured to the individual or
11 entity.

12 (ii) The term "construction contract" means as defined in
13 section 1.2(2)(i).

14 Section 3. This act shall take effect in 60 days.