

1 SENATE BILL 69

2 **48TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2007**

3 INTRODUCED BY

4 Pete Campos

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10 AN ACT

11 RELATING TO THE UNIFORM COMMERCIAL CODE; PROVIDING FOR  
12 JURISDICTION AND JUDICIAL FORUM TO GOVERN LEASE OR RENTAL  
13 CONTRACTS; LIMITING INDEMNIFICATION BY A PARTY OF A LEASE TO  
14 ANOTHER PARTY OF THAT LEASE.

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16 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

17 Section 1. Section 55-2A-106 NMSA 1978 (being Laws 1992,  
18 Chapter 114, Section 13) is amended to read:

19 "55-2A-106. LIMITATION ON POWER OF PARTIES TO [CONSUMER]  
20 A LEASE TO CHOOSE APPLICABLE LAW AND JUDICIAL FORUM.--

21 [~~(1)~~] A. If the law chosen by the parties to a  
22 [~~consumer~~] lease is that of a jurisdiction other than a  
23 jurisdiction in which the lessee resides at the time the lease  
24 agreement becomes enforceable or within thirty days thereafter  
25 or in which the goods are to be used, the choice [~~is not~~

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underscored material = new  
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1 enforceable] of law provision is void and unenforceable and  
2 against the public policy of the state.

3 [~~2~~] B. If the judicial forum chosen by the  
4 parties to a [consumer] lease is a forum that would not  
5 otherwise have jurisdiction over the lessee, the choice [is not  
6 enforceable] of judicial forum provision is void and  
7 unenforceable and against the public policy of the state.

8 C. A provision in a lease or rental contract that  
9 requires one party to the lease or rental contract to  
10 indemnify, hold harmless, insure or defend the other party to  
11 the lease or rental contract, including the other party's  
12 employees or agents, against liability, claims, damages, losses  
13 or expenses, including attorney fees, arising out of bodily  
14 injury to persons or damage to property caused by or resulting  
15 from, in whole or in part, the negligence, act or omissions of  
16 the indemnitee, its officers, employees or agents, is void and  
17 unenforceable and against the public policy of the state.

18 D. A provision in a lease or rental contract that  
19 may contain an indemnification provision that shall be enforced  
20 only to the extent that it requires one party to the contract  
21 to indemnify, hold harmless or insure the other party to the  
22 contract, including its officers, employees or agents, against  
23 liability, claims, damages, losses or expenses, including  
24 attorney fees, only to the extent that the liability damages,  
25 losses or costs are caused by or arise out of the acts or

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underscored material = new  
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1 omissions of the indemnitor or its officers, employees or  
2 agents.

3 E. As used in this section, "indemnify" or "hold  
4 harmless" includes any requirement to name the indemnified  
5 party as an additional insured in the indemnitor's insurance  
6 coverage for the purpose of providing indemnification for any  
7 liability not otherwise allowed in this section."

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