

**15.71 PUBLIC CONTRACTS; DEFINITIONS.**

Subdivision 1. **Scope.** For the purposes of sections 15.71 to 15.74 unless the context clearly indicates otherwise, the terms defined in this section have the meanings given them.

Subd. 1a. **Indemnification agreement.** "Indemnification agreement" means an agreement by the promisor to indemnify, defend, or hold harmless the promisee against liability or claims of liability for damages arising out of bodily injury to persons or out of physical damage to tangible or real property.

Subd. 1b. **Promisee.** "Promisee" includes that party's independent contractors, agents, employees, or indemnitees.

Subd. 2. **Public contract.** "Public contract" means any purchase, lease or sale by a public agency of personal property, public improvements or services, other than agreements which are exclusively for personal services.

Subd. 3. **Public agency.** "Public agency" or "public contracting agency" means any agency of the state of Minnesota or any of its political subdivisions authorized by law to enter into public contracts.

Subd. 4. **Public improvement.** "Public improvement" means any construction of improvements on real property or highways by or for a public agency.

Subd. 5. **Retainage.** "Retainage" means the difference between the amount earned by the contractor on a public contract and the amount paid on the contract by the public contracting agency.

**History:** 1980 c 464 s 1; 2023 c 53 art 7 s 1,2