

1 SJR83  
2 218944-2  
3 By Senator Albritton  
4 RFD:  
5 First Read: 17-MAR-22

ESTABLISHING THE ALABAMA CONSTRUCTION CONTRACT  
INDEMNIFICATION INTERIM STUDY COMMISSION.

WHEREAS, there is an issue within the Alabama construction industry concerning the liability of contractors, subcontractors, and materials manufacturers and providers; and

WHEREAS, the law related to the indemnification provisions in contracts among the parties engaged in the completion and execution of construction projects should be reviewed; now therefore,

BE IT RESOLVED BY THE LEGISLATURE OF ALABAMA, BOTH HOUSES THEREOF CONCURRING, That there is established the Alabama Construction Contract Indemnification Interim Study Commission.

(a) The study commission shall be chaired by the chair of the Senate Finance and Taxation General Fund Committee and shall be comprised of the following additional members, each appointed by the chair:

(1) A member of the Alabama House of Representatives appointed by the chair to serve as vice chair.

1                   (2) A representative of the Associated Builders and  
2 Contractors of Alabama.

3                   (3) A representative of the Associated Builders and  
4 Contractors of North Alabama.

5                   (4) A representative of the American Council of  
6 Engineering Companies of Alabama.

7                   (5) A representative of the Alabama Concrete  
8 Industries Association.

9                   (6) A representative of the Subcontractors  
10 Association of Alabama.

11                   (7) A representative of the Alabama Associated  
12 General Contractors.

13                   (8) A representative of the Alabama Contractors  
14 Association.

15                   (9) A representative of the Alabama Road Builders  
16 Association.

17                   (10) A representative of the Higher Education  
18 Partnership of Alabama.

19                   (11) A representative of the Alabama Association for  
20 Justice.

21                   (12) A representative of the Alabama Community  
22 College System.

23                   (13) A representative of the Alabama Department of  
24 Finance.

25                   (14) Such other members as determined necessary and  
26 appropriate by the chair.

1           (b) The chair of the study commission shall schedule  
2 the study commission's first meeting upon the adjournment of  
3 the 2022 Regular Legislative Session. Following the first  
4 meeting, the study commission shall schedule properly noticed  
5 public meetings as necessary to gain input from all  
6 representatives interested in liability assignment clauses  
7 within construction contracts.

8           (c) (1) At the request of the chair or vice chair,  
9 the Secretary of the Senate and the Clerk of the House of  
10 Representatives shall provide administrative and clerical  
11 assistance to the study commission.

12           (2) The Legislative Services Agency shall provide  
13 research, compile information, and draft recommended changes  
14 to Alabama law, as requested by the study commission.

15           (d) The commission shall have both of the following  
16 duties and responsibilities:

17           (1) Examine existing laws and practices concerning  
18 indemnification clauses and agreements within construction  
19 contracts in Alabama.

20           (2) Determine the methods of contracting that are  
21 consistent and equitable for all parties entering into  
22 agreements for the completion of construction projects.

23           (e) The study commission shall publish its findings  
24 and any recommended changes to the law by December 1, 2022, or  
25 as soon as practicable thereafter. The study commission shall  
26 stand dissolved following its publication, but in no event  
27 later than January 31, 2023.

1                   (f) Following its passage, a copy of this resolution  
2 shall be provided to the chair of the Senate Finance and  
3 Taxation General Fund Committee.