

SB215 INTRODUCED



1 SB215
2 NR166JT-1
3 By Senator Melson
4 RFD: Banking and Insurance
5 First Read: 27-Jan-26



4 SYNOPSIS:

5 Under existing law, prior to commencement of
6 residential home building by a residential home
7 builder, the residential home builder is required to
8 disclose in writing to the homeowner whether he or she
9 has obtained and is currently maintaining liability
10 insurance. The written disclosure must be signed by the
11 residential home builder and the homeowner and attested
12 by a witness.

13 This bill would further provide for the
14 disclosure, signature, and attestation requirements by
15 providing that if the residential home builder affirms
16 that he or she has and is currently maintaining
17 liability insurance, there is no witness requirement
18 for the disclosure of that fact and the disclosure is
19 sufficient if signed by the residential home builder
20 and the homeowner.

21 This bill would also provide that if a
22 residential home builder is not maintaining liability
23 insurance, the disclosure of that fact must be attested
24 to and signed in person by the residential home builder
25 and homeowner.



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A BILL

TO BE ENTITLED

AN ACT

Relating to home building; to amend Section 34-14A-19, Code of Alabama 1975, to further provide for the requirement to disclose proof of liability insurance; and to establish signature and attestation requirements of required disclosures made prior to construction.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Section 34-14A-19, Code of Alabama 1975, is amended to read as follows:

"§34-14A-19

(a) Prior to the commencement of residential home building by a residential home builder, the residential home builder shall disclose in writing to the homeowner whether the residential home builder has obtained and is currently maintaining liability insurance. The written disclosure requirement may be satisfied as an incorporated provision within the original contract or as a separate addendum.

(b) (1) If the disclosure is that the residential home builder has obtained and is currently maintaining liability insurance, the incorporated provision may be signed or initialed, electronically or otherwise, by the residential home builder and the homeowner without the signature of a witness.

(2) If the disclosure is that the residential home builder has not obtained or does not currently maintain



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57 liability insurance, then ~~The~~ the written disclosure shall be
58 signed by the residential home builder and the homeowner, and
59 attested by one witness selected by the homeowner.

60 (c) Failure of a residential home builder to comply
61 with this section is a violation of this chapter and
62 punishable by the board pursuant to Section 34-14A-8."

63 Section 2. This act shall become effective on October
64 1, 2026.