HOUSE FILE 211 BY COMMITTEE ON JUDICIARY

(SUCCESSOR TO HSB 31)

A BILL FOR

- An Act requiring in-state construction contracts and disputes
 thereof to be governed by Iowa law.
- 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. <u>NEW SECTION</u>. 537A.6 In-state construction
 contracts — Iowa law to govern.

3 1. As used in this section, "in-state construction 4 contract" means a public, private, foreign, or domestic 5 agreement relating to construction, alteration, repair, or 6 maintenance of any real property in this state and includes 7 agreements for architectural services, demolition, design 8 services, development, engineering services, excavation, or any 9 other improvement to real property in this state, including 10 buildings, shafts, wells, and structures, whether on, above, or 11 under real property in this state.

12 2. A provision of an in-state construction contract is void 13 and unenforceable as contrary to public policy if the provision 14 does any of the following:

15 *a.* Makes the in-state construction contract subject to the 16 laws of another state.

b. Requires any litigation, mediation, arbitration, or
other dispute resolution proceeding arising from the in-state
construction contract to be conducted in another state.

3. Any litigation, mediation, arbitration, or other dispute
21 resolution proceeding arising from or relating to an in-state
22 construction contract shall be conducted in this state.

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EXPLANATION

This bill provides that a provision of an in-state construction contract is void and unenforceable as contrary to public policy if the provision makes the contract subject to the laws of another state or requires any litigation, mediation, arbitration, or other dispute resolution proceeding arising from the contract to be conducted in another state. The bill also requires any litigation, mediation, arbitration, or other dispute resolution proceeding arising from or relating to an in-state construction contract to be conducted in this state.

34 "In-state construction contract", as defined in the bill, 35 means a public, private, foreign, or domestic agreement

-1-

LSB 1607HV (2) 85 je/nh

1/2

relating to construction, alteration, repair, or maintenance
 of any real property in this state and includes agreements
 for architectural services, demolition, design services,
 development, engineering services, excavation, or any
 other improvement to real property in this state, including
 buildings, shafts, wells, and structures, whether on, above, or
 under real property in this state.

-2-