

State of Arizona
Senate
Fifty-third Legislature
Second Regular Session
2018

CHAPTER 336
SENATE BILL 1271

AN ACT

ESTABLISHING A CONSTRUCTION LIABILITY APPORTIONMENT STUDY COMMITTEE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Construction liability apportionment study
3 committee; membership; duties; delayed repeal

4 A. The construction liability apportionment study committee is
5 established consisting of the following members:

6 1. Three members of the senate who are appointed by the president
7 of the senate, not more than two of whom are members of the same political
8 party. The president of the senate shall designate one of these members
9 to serve as cochairperson of the committee.

10 2. Three members of the house of representatives who are appointed
11 by the speaker of the house of representatives, not more than two of whom
12 are members of the same political party. The speaker of the house of
13 representatives shall designate one of these members to serve as
14 cochairperson of the committee.

15 B. Committee members are not eligible to receive compensation, but
16 are eligible for reimbursement of expenses pursuant to title 38, chapter
17 4, article 2, Arizona Revised Statutes.

18 C. The study committee shall research and make recommendations for
19 the apportionment of liability in the construction industry, including:

20 1. The use of an indemnity provision in construction contracts.

21 2. The allocation of liability based on degrees of fault.

22 3. The assignment of financial responsibility to negligent parties.

23 4. The opportunity to address and remedy alleged construction
24 defects prior to litigation.

25 5. The frequency of construction defect litigation.

26 6. The affordability of insurance costs associated with
27 construction claims.

28 D. The study committee may hold hearings, conduct fact-finding
29 tours and take testimony from witnesses who may assist the study committee
30 in fulfilling its responsibilities. All hearings of the study committee
31 shall be open to the public.

32 E. The legislature shall provide staff and support services to the
33 study committee.

34 F. The study committee shall submit a report regarding its findings
35 and recommendations on or before December 15, 2018, to the governor, the
36 president of the senate and the speaker of the house of representatives
37 and provide a copy of this report to the secretary of state.

38 G. This section is repealed from and after June 30, 2019.

APPROVED BY THE GOVERNOR MAY 16, 2018.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 16, 2018.