

1999 SESSION

INTRODUCED

992890198

HOUSE BILL NO. 2431

Offered January 21, 1999

A BILL to amend and reenact § 8.01-262.1 of the Code of Virginia, relating to construction contracts.

Patrons—Davies, Albo, Cantor and McClure; Senator: Mims

Referred to Committee for Courts of Justice

Be it enacted by the General Assembly of Virginia:

1. That § 8.01-262.1 of the Code of Virginia is amended and reenacted as follows:

§ 8.01-262.1. Place for bringing action under a contract related to construction.

A. Where a party whose principal place of business is in the Commonwealth enters into a contract on or after July 1, 1997, to design, manage construction of, construct, alter, repair, maintain, move, demolish, or excavate, or supply goods, equipment, or materials for the construction, alteration, repair, maintenance, movement, demolition, or excavation of a building, structure, appurtenance, road, bridge, or tunnel which is physically located in the Commonwealth, any cause of action arising under such contract may be brought in the jurisdiction where the construction project is located, or such other jurisdiction where the venue is proper under the provisions of this chapter. *Any provision in the contract mandating that such action be brought in a location outside the Commonwealth shall be unenforceable.*

B. The forum for any arbitration proceedings required in such a contract entered into on or after July 1, 1991, shall be in this Commonwealth. If the contract provides for arbitration proceedings outside the Commonwealth, such provision is unenforceable and arbitration proceedings shall be in the county or city where the work is to be performed, unless the parties agree to conduct the proceedings elsewhere within the Commonwealth. The enforceability of the remaining provisions of the arbitration agreement and the method of selecting a forum for the conduct of the arbitration proceedings are as provided in this Code, the Federal Arbitration Act, and any applicable rules of arbitration.

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