

WEST VIRGINIA LEGISLATURE

2021 REGULAR SESSION

Committee Substitute

for

Senate Bill 673

BY SENATOR SWOPE

[Originating in the Committee on the Judiciary;

reported on March 23, 2021]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section,
2 designated §56-1-1b, relating to venue for bringing a civil action or conducting
3 proceedings under a construction contract; providing definitions; requiring that
4 construction contracts entered into on or after July 1, 2021, provide that any civil action or
5 arbitration called for or permitted by the contract take place in West Virginia; and providing
6 that any provision in construction contracts mandating that civil actions or arbitrations take
7 place outside West Virginia is unenforceable.

Be it enacted by the Legislature of West Virginia:

ARTICLE 1. VENUE.

§56-1-1b. Venue for bringing civil action under a construction contract.

1 (a) As used in this chapter, “construction contract” means a contract, subcontract, or
2 agreement entered into or made by an owner, architect, engineer, contractor, construction
3 manager, subcontractor, supplier, or material or equipment lessor for the design, construction,
4 alteration, demolition, renovation, remodeling, or repair of, or for the furnishing of material or
5 equipment for a building, structure, appurtenance, or other improvement to or on public or private
6 real property, including moving, demolition, and excavation connected with the real property. The
7 term “construction contract” includes an agreement to which an architect, engineer, or contractor
8 and an owner’s lender are parties regarding an assignment of the construction contract or other
9 modifications.

10 (b) Where a party whose principal place of business is in the state of West Virginia enters
11 into a construction contract on or after July 1, 2021, to design, manage construction of, construct,
12 alter, repair, maintain, move, demolish, or excavate, or supply goods, equipment, or materials for
13 the construction, alteration, repair, maintenance, movement, demolition, or excavation of a
14 building, structure, appurtenance, road, bridge, or tunnel which is physically located in the state
15 of West Virginia, such construction contract must provide that any civil action or arbitration called
16 for or permitted by the contract must be commenced and heard in the state of West Virginia, in

17 the jurisdiction where the construction project is located, or such other jurisdiction where the
18 venue is proper under the provisions of §56-1-1 et seq. of this code. Any provision in a
19 construction contract entered into on or after July 1, 2021, mandating that such action be brought
20 in a location outside the state of West Virginia is unenforceable.