HOUSE BILL 64

50TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2011

INTRODUCED BY

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AN ACT

RELATING TO CONSTRUCTION CONTRACTS; REQUIRING LITIGATION AND
DISPUTE RESOLUTION PROCEEDINGS ARISING FROM CONSTRUCTION
CONTRACTS IN NEW MEXICO TO OCCUR IN NEW MEXICO.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. A new section of Chapter 57 NMSA 1978 is
enacted to read:

"[<u>NEW MATERIAL</u>] CONSTRUCTION CONTRACTS--PROVISIONS VOID.--

A. A provision of a construction contract,
agreement, understanding, specification or other documentation
that is made part of a construction contract for an improvement
to real property in New Mexico is void, unenforceable and
against the public policy of the state if the provision:

(1) makes the construction contract subject to
the laws of another state; or

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1   (2)   requires any litigation arising from the

2   construction contract to be conducted in another state.

3   B.   Any mediation, arbitration or other dispute

4   resolution proceeding arising from or relating to a

5   construction contract for work performed in this state shall be

6   conducted in this state.

7   C.   As used in this section, "construction contract"

8   means a public, private, foreign or domestic contract or

9   agreement relating to construction, alteration, repair or

10   maintenance of any real property in New Mexico and includes

11   agreements for architectural services, demolition, design

12   services, development, engineering services, excavation or

13   other improvement to real property, including buildings,

14   shafts, wells and structures, whether on, above or under real

15   property."

16   **SECTION 2.** APPLICABILITY.--The provisions of this act

17   apply to contracts entered into on or after July 1, 2011.

18   **SECTION 3.** EFFECTIVE DATE.--The effective date of the

19   provisions of this act is July 1, 2011.

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