

1 HB481  
2 117512-1  
3 By Representative Wood  
4 RFD: Judiciary  
5 First Read: 02-FEB-10

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8 SYNOPSIS: Under case law since 1976, the Alabama  
9 Supreme Court had ruled that local agencies of the  
10 state could be sued in contract. In 2009, the  
11 Alabama Supreme Court overruled its prior ruling,  
12 holding that local agencies of state government are  
13 immune from suit. Prior to the Alabama Supreme  
14 Court's ruling in 2009, parties may have filed suit  
15 in circuit or district court on a contract claim  
16 which would generally be subject to dismissal.  
17 However, because the time period for filing a claim  
18 with the State Board of Adjustment may have already  
19 passed, the party may not have any forum to have  
20 its claim heard on the merits.

21 This bill would extend the time for filing a  
22 claim based on contract with the State Board of  
23 Adjustment against local agencies of state  
24 government if the claim was originally filed in  
25 circuit or district court prior to the Alabama  
26 Supreme Court ruling discussed above.  
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1 A BILL  
2 TO BE ENTITLED  
3 AN ACT  
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5 To amend Section 41-9-65 of the Code of Alabama  
6 1975, relating to the time for presenting claims before the  
7 State Board of Adjustment, to extend the time for presenting  
8 claims against local agencies of state government under  
9 certain conditions.

10 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

11 Section 1. Section 41-9-65 of the Code of Alabama  
12 1975, is amended to read as follows:

13 "§41-9-65.

14 "(a) Unless otherwise provided in this section, all  
15 claims must be presented to the Board of Adjustment within one  
16 year after the cause of action accrues. All claims upon  
17 contracts against local agencies of state government which  
18 were originally filed in circuit or district court prior to  
19 the Alabama Supreme Court overruling prior case law  
20 authorizing the suits in Ex Parte Hale County Board of  
21 Education, Case No. 1071094, 2009 WL 130085 (Ala.), must be  
22 presented within one year after the effective date of the act  
23 adding this sentence.

24 "(b) Claims for injury to the person resulting in  
25 death must be presented to the Board of Adjustment within two  
26 years after the cause of action accrues, unless the same is  
27 first carried into the courts of the state, in which event the

1 statute of limitations shall not begin to run until the date  
2 on which a final judgment in the same, holding the claimant  
3 not entitled to relief through the courts of the state, is  
4 entered.

5 "(c) In the matter of escheats to the State of  
6 Alabama, any such claim must be filed with the Board of  
7 Adjustment within 10 years from the time of the escheat to the  
8 State of Alabama; except, that such claims of minors may be  
9 considered by the Board of Adjustment if the same are filed  
10 within three years after such minor has reached the age of 19  
11 years.

12 "(d) The Board of Adjustment is prohibited from  
13 hearing or considering any claim not filed within the time  
14 specified and the limitations provided in this section shall  
15 apply both to claims which have already accrued and to those  
16 which accrue after July 10, 1943."

17 Section 2. This act shall become effective on the  
18 first day of the third month following its passage and  
19 approval by the Governor, or its otherwise becoming law.