1 SB44

2 145761-1

- 3 By Senators Allen, Ward, Dial, Williams, Bussman, Glover,
- 4 Whatley, Waggoner, Brewbaker, Scofield, Fielding, Beason,
- 5 Reed, Holtzclaw and Taylor
- 6 RFD: Judiciary
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- 8 PFD: 01/09/2013

145761-1:n:10/31/2012:KMS*/tan LRS2012-5216 1 2 3 4 5 6 7 SYNOPSIS: This bill would prohibit the application of 8 foreign law in violation of rights guaranteed 9 10 natural citizens by the United States and Alabama 11 Constitutions, and the statutes, laws, and public 12 policy of this state. 13 This bill would not apply to a corporation, 14 partnership, limited liability company, business 15 association, or other legal entity that contracts 16 to subject itself to foreign laws. 17 18 A BTLL 19 TO BE ENTITLED 20 AN ACT 21 22 To prohibit the application of foreign law in 23 violation of rights guaranteed natural citizens by the United States and Alabama Constitutions, and the laws and public 24 policy of the state, without application to business entities. 25 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA: 26

Section 1. (a) This section shall be known and may
 be cited as the American and Alabama Laws for Alabama Courts
 Act.

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(b) The law of Alabama provides:

5 (1) The State of Alabama has developed its unique 6 public policy of laws based on the United States Constitution, 7 as protected by Amendment 10 to the United States 8 Constitution.

9 (2) Upon becoming a state in 1819, Alabama adopted 10 its first constitutional and statutory enactments, upon which 11 it has built the rights, privileges, obligations, and 12 requirements of its government and citizens.

13 (3) Both the provisions of the Alabama Constitution
14 and the statutes and regulations of the State of Alabama, with
15 interpreting opinions by its courts of competent jurisdiction,
16 have developed the state's public policy.

17 (4) The public policy of the State of Alabama protects the unique rights of its citizens beginning with 18 Article I, Section 1 of the Constitution of Alabama of 1901, 19 20 guaranteeing the equality and rights of men. Except as 21 permitted by due process of law and the right of the people to 22 vote for self-determination, the rights, privileges, and immunities of the citizens of the State of Alabama are 23 24 inviolate.

(5) Different from the law of the State of Alabama
is foreign law, which is any law, rule, or legal code, or
system established, used, or applied in a jurisdiction outside

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of the states or territories of the United States, or which exist as a separate body of law, legal code, or system adopted or used anywhere by any people, group, or culture different from the Constitution and laws of the United States or the State of Alabama.

6 (6) Alabama has a favorable business climate and has 7 attracted many international businesses. While Alabama 8 business persons and companies may decide to use foreign law 9 in foreign courts, the public policy of Alabama is to prohibit 10 anyone from requiring Alabama courts to apply and enforce 11 foreign laws.

(7) The public policy of this state is to protect its citizens from the application of foreign laws when the application of a foreign law will result in the violation of a right guaranteed by the Alabama Constitution or of the United States Constitution, including, but not limited to, due process, freedom of religion, speech, assembly, or press, or any right of privacy or marriage.

(8) Article IV, Section 1, of the United States 19 Constitution provides that full faith and credit shall be 20 21 given by each state to the public acts, records, and judicial 22 proceedings of other states. Provided, however, when any such 23 public acts, records, and judicial proceedings of another 24 state violate the public policy of the State of Alabama, the 25 State of Alabama is not and shall not be required to give full faith and credit thereto. 26

(c) A court, arbitrator, administrative agency, or
 other adjudicative, arbitrative, or enforcement authority
 shall not apply or enforce a foreign law if doing so would
 violate any state law or a right guaranteed by the
 Constitution of this state or of the United States.

(d) If any contractual provision or agreement 6 7 provides for the choice of a foreign law to govern its interpretation or the resolution of any dispute between the 8 parties, and if the enforcement or interpretation of the 9 10 contractual provision or agreement would result in a violation of a right guaranteed by the Constitution of this state or of 11 12 the United States, the agreement or contractual provision 13 shall be modified or amended to the extent necessary to 14 preserve the constitutional rights of the parties.

(e) If any contractual provision or agreement 15 provides for the choice of venue or forum outside of the 16 states or territories of the United States, and if the 17 enforcement or interpretation of the contract or agreement 18 applying that choice of venue or forum provision would result 19 in a violation of any right guaranteed by the Constitution of 20 21 this state or of the United States, that contractual provision 22 or agreement shall be interpreted or construed to preserve the 23 constitutional rights of the person against whom enforcement 24 is sought. If a natural person subject to personal 25 jurisdiction in this state seeks to maintain litigation, 26 arbitration, an administrative proceeding, or a similarly binding proceeding in this state, and if a court of this state 27

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finds that granting a claim of forum non conveniens or a
related claim violates or would likely lead to the violation
of the constitutional rights of the nonclaimant in the foreign
forum with respect to the matter in dispute, the claim shall
be denied.

6 (f) Any contractual provision or agreement incapable 7 of being modified or amended in order to preserve the 8 constitutional rights of the parties pursuant to the 9 provisions of this act shall be null and void.

10 (g) Nothing in this act shall be interpreted to 11 limit the right of a natural person or entity of this state to 12 voluntarily restrict or limit his, her, or its own 13 constitutional rights by contract or specific waiver 14 consistent with constitutional principles. However, the 15 language of any such contract or other waiver shall be strictly construed in favor of preserving the constitutional 16 17 rights of the natural person in this state. Further, no Alabama court shall be required by any contract or other 18 obligation entered into by a person or entity to apply or 19 enforce any foreign law. 20

(h) Except as limited by subsection (g), without prejudice to any legal right, this act shall not apply to a corporation, partnership, limited liability company, business association, or other legal entity that contracts to subject itself to foreign law in a jurisdiction other than this state or the United States.

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(i) Where the public acts, records, or judicial
 proceedings of another state violate the public policy of the
 State of Alabama, the State of Alabama shall not give full
 faith and credit thereto.

5 Section 2. This act shall become effective on the 6 first day of the third month following its passage and 7 approval by the Governor, or its otherwise becoming law.