

Alabama Passes Law Providing Businesses with Civil Immunity from COVID-19 Claims

The bill provides civil immunity to most businesses but does not shield employers from workers' compensation claims filed by their employees.

The 2021 Alabama Legislative Session wasted no time passing legislation aimed at protecting businesses from lawsuits seeking damages for alleged COVID-19 transmission or exposure. Recognizing that the risk and expense of such suits could prove an impediment to the reopening of businesses across the state, the Senate passed the civil immunity bill SB30, which Gov. Kay Ivey signed into law on February 12, 2021.

SB30 aims to protect businesses from civil liability arising out of Coronavirus infection by granting immunity from claims of individuals alleging COVID-19 transmission or exposure, setting a two-year statute of limitations for such claims, and providing for retroactive effect of the immunity provisions.

Scope of Immunity for Businesses

SB30 provides, in pertinent part, a "Covered Entity" cannot be held liable for any damages, injury or death suffered by any person as a result of, or in connection with, a "Health Emergency Claim" that results from any act or omission of the covered entity.

The bill defines Covered Entities to include businesses, health care providers, educational institutions, government entities, cultural institutions, as well as their officers, managers and employees while acting on the entity's behalf. It defines Health Emergency Claims broadly to include any claim arising out of related to Coronavirus, and specifically includes claims for contraction of or exposure to the virus on a business's premises or from a business's operations, products or services.

The grant of immunity under SB30 is set to expire on December 31, 2021, or one year after the

declared health emergency for COVID-19 expires, whichever is later

Exceptions to Immunity and Limitation of Liability for Damages

The grant of immunity under SB30 is not absolute. A business can still be held liable if the claimant is able to prove by clear and convincing evidence that the business acted with wantonness, recklessness, willfulness, or engaged in intentional misconduct. However, even if liability is established, a business's liability is limited to compensatory damages only unless the claimant died, required in-patient hospitalization for at least 48 hours, or suffered permanent impairment.

Retroactive Application and Time Limitations

SB30 is given retroactive effect and applies to any causes of action filed on or after March 13, 2020 (the date on which Gov. Kay Ivey first declared a state public health emergency in response to COVID-19). It also provides for a two-year statute of limitations that begins to run on the date the claimant first incurs damages, injury or death.

Application to Workers' Compensation Claims

SB30 does not affect employees' claims asserted under the Alabama Workers' Compensation Act. Thus, employers may still be held responsible for payment of indemnity and medical benefits to employees for work-related transmission of COVID-19.

A link to the full text of SB30 can be found here: [L0535281.A11.pdf \(state.al.us\)](#)

Nathan L. Burrow, Special Counsel

63 S. Royal Street, Suite 302

Mobile, AL 36602

O: 228-214-4250 | F: 228-214-9650

D: 228-213-5237 | C: 228-223-0257

NBurrow@gallowaylawfirm.com