

Colorado Legislative Council Staff Fiscal Note

**STATE
FISCAL IMPACT**

Drafting Number: LLS 15-0521
Prime Sponsor(s): Sen. Scott

Date: January 20, 2015
Bill Status: Senate SVMA
Fiscal Analyst: Erin Reynolds (303-866-4146)

BILL TOPIC: REDUCE STATUTE OF LIMITATIONS CONSTRUCTION DEFECTS

Fiscal Impact Summary*	FY 2015-2016	FY 2016-2017
State Revenue		
State Expenditures	Minimal workload reduction.	
FTE Position Change		
Appropriation Required: None.		

* This summary shows changes from current law under the bill for each fiscal year.

Summary of Legislation

The bill reduces from 8 years to 4 years the statute of repose for construction professionals in Colorado. The statute of repose is the maximum period for a legal action against any construction professional (architect, contractor, builder, builder vendor, engineer, or inspector) performing or furnishing the design, planning, supervision, inspection, construction, or observation of construction of any improvement to real property.

State Expenditures

The bill is expected to minimally reduce case filings in the trial courts of the Judicial Department. While the bill decreases the amount of time that plaintiffs have to file a construction defect claim, it is estimated that most of the state's 150 to 200 annual construction defect cases are filed already within the proposed statute of limitations.

Effective Date

The bill takes effect August 5, 2015, if the General Assembly adjourns on May 6, 2015, as scheduled, and no referendum petition is filed.

State and Local Government Contacts

Counties
 Local Affairs
 Regulatory Agencies

Corrections
 Municipalities
 State

Judicial
 Personnel