

**FINAL  
FISCAL NOTE**

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

**Date:** May 29, 2015  
**Bill Status:** Postponed Indefinitely  
**Fiscal Analyst:** Erin Reynolds (303-866-4146)

**BILL TOPIC:** REDUCE STATUTE OF LIMITATIONS CONSTRUCTION DEFECTS

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

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

**Summary of Legislation**

The bill reduces from eight years to six 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. For construction professionals involved in any of the outlined processes related to single-family home construction, the statute of repose is five years, unless the cause for legal action arises in the fourth or fifth year after substantial completion of the improvement, in which case the legal action may be brought in the sixth year.

**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 was postponed indefinitely by the House State, Veterans, and Military Affairs Committee on April 22, 2015.

**State and Local Government Contacts**

Counties  
 Local Affairs  
 Regulatory Agencies

Corrections  
 Municipalities  
 State

Judicial  
 Personnel