



Legislative
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SB 20-138

FINAL FISCAL NOTE

Drafting Number: LLS 20-0437
Prime Sponsors: Sen. Rodriguez

Date: August 24, 2020
Bill Status: Deemed Lost
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Bill Topic: **CONSUMER PROTECTION CONSTRUCTION DEFECT TIME PERIOD**

Summary of Fiscal Impact:

<input checked="" type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

The bill would have increased the statutory limitation period for actions based on construction defects and allowed tolling of the limitation period. It would have minimally increased state revenue and expenditures on an ongoing basis.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: The fiscal note reflects the introduced bill. This bill was not enacted into law; therefore, the impacts identified in this analysis do not take effect.

Summary of Legislation

The bill increases the statutory limitation period for actions based on construction defects from six years to ten years. It also allows a pause of the limitation period on any statutory or equitable basis and requires a pause until the claimant discovers not only the construction defect, but also its cause.

State Revenue and Expenditures

Extending the statutory limitation period could increase the number of lawsuits over construction defects. While the number of such lawsuits is unknown, the fiscal note assumes that 100 to 150 additional lawsuits will be filed every year. Additional lawsuits would result in additional revenue from filing fees, which are currently \$224. This revenue is expected to be minimal.

Similarly, any additional workload associated with increased lawsuits can be absorbed within existing appropriations.

Effective Date

The bill was deemed lost on June 16, 2020.

State and Local Government Contacts

Counties
Local Affairs

Judicial
Municipalities

Law
Regulatory Agencies