

Committee on Judiciary

CS/CS/HB 875 — Limitations of Actions Other Than for the Recovery of Real Property

by Judiciary Committee; Civil Justice and Claims Subcommittee; and Rep. Leek (CS/CS/SB 536 by Community Affairs Committee; Judiciary Committee; and Senators Passidomo and Campbell)

The bill addresses two issues regarding the timeframes for bringing a lawsuit based on a defect in the design, planning, or construction of a building or other improvement to real property. First, the bill specifies that a person who is served with a pleading may file a related counterclaim, cross-claim, or third-party claim within 1 year, regardless of whether the filing of the claim would otherwise be time barred.

Second, the bill causes the timeframes for filing a construction-defect lawsuit to begin and end sooner in some circumstances than under current law. Both under the bill and current law, the timeframes in which a property owner may file a construction-defect lawsuit begin to run at the latest of four events set forth in statute. One of these events is the completion of the construction contract.

Recent case law suggests that such a contract is not complete, and thus the timeframes for bringing a lawsuit cannot begin to run, until all punch-list or other follow-up work is complete. The bill substantially counters this case law by effectively providing that a construction contract performed pursuant to a building permit is complete when a final certificate of occupancy or certificate of completion is issued. After that point, the correction or repair of completed work that is within the scope of the building permit and final certificate does not delay the running of the timeframes in which a construction-defect action may be filed.

If approved by the Governor, these provisions take effect July 1, 2018.

Vote: Senate 38-0; House 112-0